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24 November 1981

WEST EUROPE REPORT

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PARTIES GIVE STAND ON ANTI-TNF DEMONSTRATION

Brussels LE SOIR in French 25/26 Oct 81 p 2

[Article by Francis Unwin]

[Text] In today's profoundly divided Belgium, there is at least one point on which all political groups, in the North and South alike, with the possible exception of the PCB [Belgium Communist Party], agree. Everyone agrees that foreign policy is not of great interest to the voters. And that includes the question of the installation of Euromissiles in Belgium starting in 1983, even if it did almost bring down a government. Social and economic problems, with the ubiquitous problem of the communities in the background, must certainly be their basic concern.

However, Sunday's national demonstration is perceived by some of these groups as a possible means of conciliating several thousand voters. The PS [Flemish Socialist Party], the SP [Dutch Socialist Party], the FDF [Democratic Front of Brussels French Speakers], the RW [Walloon Rally], the PCB, the Christian Democrats of Walloon and Brussels have given their official support, and the youth in several other parties will probably also participate. After all, who could favor nuclear proliferation or be against peace?

Certainly not Mr Nothomb, the minister of foreign affairs, who, in a letter to the various organizations, declared his support for most of the text of their appeal and added that it articulated objectives which are, and must be, those of Belgian foreign policy. (For, until it is proved otherwise, it must be assumed that Belgian foreign policy still exists, just like the Red Devils [a soccer team] still exist.) But the minister points out an "inaccuracy" in the document where it notes that "neither the Soviet SS-20's nor the American Pershings are going to improve the security of the European people in any way, but on the contrary they introduce a destabilizing factor." He notes that the document treats the two nuclear installations as if they were both already deployed, with 750 nuclear warheads in place. What should be demanded, he said, is the dismantling of the SS-20's, which would lead to the non-installation of the corresponding American missiles. This obviously sufficed to justify Mr Nothomb's (friendly) refusal, but a number of Christian Socialists will still be in attendance on 25 October in Brussels: mental reservations do not necessarily preclude participation in Sunday demonstrations, as we see from time to time in the Fours.

As for the "Flemish big brother," he has committed himself unequivocally, notably by Mr Tindemans' statement at the Royal Advanced Defense Institute: if it is absolutely necessary to maintain balance at the lowest possible level, then it is first necessary to re-establish it. This is the substance of the position taken by the CVP [Social Christian Party], which calls itself Atlanticist (in other words, it supports the negotiations starting in Geneva 30 November) and points out that the Soviet Army has between 3 and 4 million men serving 3 or 4 years on active duty. Even so, the Flemish Social Christians also claim to be 90 percent in favor of the objectives of the marchers...Still, their response contains an implicit criticism of the appeal published last Sunday by the Interdiocesan Council, which in a rather confused way urged unilateral disarmament. It has not been sufficiently stressed, however, that the Interdiocesan Council is composed of representatives of private voluntary organizations and that, while the bishops attend its deliberations, they do not have a voice in the debates. One of those silent observers, by no means the least important, Mgr Daneels, has let it be known that he walked out of the meeting before the council's appeal was adopted.

Unambiguous Liberal Position

On the liberal side, the position taken is straightforward. They endorse both the December 1979 NATO decisions: installation of the Euromissiles and negotiations with Moscow.

The position of the UDRT [Democratic Union for the Respect of Work] is also simple. "We have not yet," they say, "considered the proposal." All the same, the Pershing-2's and Cruise missiles are gratuitous....

In the Socialist Party, the Eurostrategic missiles have already felled one victim, Mr Henri Simonet, but he has apparently survived his wounds...The thinking is that they might become a (short-range) political weapon, so they will attend Sunday. Mr Spitaels has expressed regret at Mr Reagan's recent statements "which do serious harm to relations between the United States and Europe." But are they sufficient cause for reconsidering our foreign policy? They will not go that far--only as far as Slaughterhouse Boulevard, the unintentionally symbolic terminal point of the demonstration. And this is indeed wherein lies the fundamental ambiguity of the march...and of the position of the PS, which must know that the voters in its ranks, like many in other parties, are probably more divided over the question than people think.

Mr Van Miert Is Not Alone in the PS

Among the Flemish Socialists, Van Miert and Tobback are, so to speak, keeping their powder dry, and in light of all the circumstances doubtless hope they will not have to make use of it. The PS has not yet taken a position in absolute opposition to the deployment of the missiles in Belgium, no more than it contests our membership in NATO. Mr Van Miert had occasion a year ago to discuss this in the pages of our newspaper, during a debate against Mr Jean Gol (see LE SOIR of 4 October 1980). He said that, even if negotiations in Geneva fail, the Belgian Government must reserve the right to assess the situation before making a decision on installation of the 48 Cruise missiles we are supposed to receive starting in 1983. This stands in contradiction with the letter Mr Martens sent to Brezhnev at the time to inform him that if the negotiations did not reach a successful conclusion Belgium would take the steps agreed upon with its NATO partners. (This did not, however, prevent him from telling

RTBF at about the same time that we were not "NATO's slaves.") Indeed, Belgium's "attitude" (we do not have an official position, only an "attitude;" this is only one example of the inability of our governments to make clear decisions) consists therefore in endorsing in advance the results of the Geneva negotiations, in the hope that the results will be either the famous "zero option" or at least a decrease in the number of missiles to be installed. Mr Van Miert himself refuses to endorse it in advance. But he is not alone in the PS. Willy Claes, for example, has never shown himself to be very excited about the Euromissiles.

The PS, whose position on economic and community affairs is relatively close to that of the CVP, can use Sunday's demonstration to reinforce its "image" somewhat, especially on Dutch television, which is widely viewed in Flanders. And, in that connection, a march unaccompanied by speeches is doubtless less dangerous than a speech unaccompanied by a march. Every faction in each of Belgium's political parties stands to get something out of it, in the last analysis.

This might explain the cautious profiles assumed on the issue by groups like the FDF [French-Speaking Front] which rest primarily on a community base of support. They are there, like everyone else, in favor of peace and verifiable disarmament--but they would rather talk about something else.

The RW [Walloon Rally], despite its "progressive" position, also has more important fish to fry.

As for the PCB, it is certainly against the Pershing-2 and Cruise missiles, but also against the SS-20's. Must the latter be dismantled? One might pose the question to its very orthodox militants from Liege, for the PCB also has its factions....

9516

CSO: 3100/75

BOLSTERED INNER STRENGTH AGAINST ARMENIAN TERROR

Istanbul DUNYA in Turkish 26 Sep 81 p 3

[Article by Haluk Ulman: "The Only Solution is Strength"]

[Text] Fatal attacks on Turkish representatives and missions abroad by Armenian terrorist organizations have been picking up in intensity recently, the latest example being the raid on our consulate general in Paris the other day by four Armenian youths.

What immediately attracts the attention in this regard is that the Armenian attacks are usually carried out in West European nations -- except West Germany -- by terrorists who go there from somewhere else. There have been some in certain U.S. cities in the past; in fact, our Los Angeles consul general and his assistant were killed, but this was not an organized action but an isolated act committed by an Armenian who lived there. Aside from that, Armenian activities in the United States have been demonstrations rather than killings.

Why do the Armenians choose West European nations, especially France, Switzerland and Belgium, for their inhumane behavior? It cannot be said, in any case, that the police of these nations are asleep or the judiciary organs cowardly, because both the police and the judiciary can be very effective if they want to. It may be true that terrorists are able to penetrate the borders of those countries more easily. Our travelers to Europe are well aware that many bordergates here are pass-throughs for foreigners -- except for Turkish citizens, unfortunately. The basic reason, however, is that the officials and the public of these nations are either indifferent toward Armenian activities or else view them as justified or, at least, with understanding.

Another factor behind the wild growth of Armenian terrorist organizations in recent years is that they have begun to find a varied rooting medium in the Middle East, that is, opportunities for training and establishing home bases. It is now a fact known by everyone that the latest incidents were carried out by terrorists based in Lebanon. One reads between the lines in the press that they are connected with the terrorist organizations in Turkey. It is understandable that those whose goal is first to tear down the Middle East and Turkey and then rebuild them according to their own wishes would see the Armenian activities as useful to this end and would support or even contribute to them. There must be another reason, however, for the mistaken attitude of the Western nations, all of whose interests require the existence of a strong Turkey.

This may even be attributed to the existence of Armenian communities in those nations who always denounce the Turks, who try to make a past war out to be a pogrom, who have the material wherewithal to influence the news media and even may be able to get the politicians on their side through the power of their votes. Now there has also been added to these influences the support and contributions of the Greek Cypriots who have been trying ever since the Cyprus Peace Operation to find other outlets for the bitterness of their defeat. However, the indifference, or understanding, shown by the West European nations towards the Armenians must be sought more in Turkey's absence than in the Armenians' presence in those places... in its absence as to language, religion, culture and economy and now also, for some time albeit temporarily, its absence from the political institutions.

The reason that the European Parliament was able recently to adopt the resolution on the Aegean Sea so controversial in Turkey is not, as thought, either Greece's competence or our incompetence, but this lack of our presence.

Rectification of this absence goes down the road of economic strength, and, if indeed we believe in the need to be a part of the West, down the road of taking our place there once again as a Turkey with a strong social, political and economic structure and a high level of culture and thought. Let us just succeed at this and then see whether, first of all, Turkish consulates can be raided with impunity and no fear of punishment.

8349

CSO: 4654/19

NEW OIL AND ENERGY MINISTER HVEDING DISCUSSES POLICIES

Oslo ARBEIDERBLADET in Norwegian 10 Oct 81 p 6

[Article by Jan Ove Ekeberg]

[Text] "I was shocked by the death of Anwar Sadat. In my opinion he was one of the greatest statesmen of our time. I am afraid that there can be new unrest in the Middle East after this murder."

Vidkunn Hveding is knowledgeable not "only" about oil and energy after spending years as adviser to Kuwait, he also knows a lot about the Middle East and international politics. As incoming cabinet minister he says, "The new government wishes to direct a large portion of the income from the North Sea right into the state treasury. It is not good that this is being done now through Statoil. If this administrative task is taken away from Statoil, the situation will be easier both for them and the authorities.

"An important task for Statoil is to obtain income for the state which it would be unreasonable for a private company to acquire. Hence we use, among other things, a sliding scale which gives Statoil the right to expand its share in a field which appears to be particularly promising. The Conservatives are in complete agreement that such income shall go to the state, but we wish to funnel it directly to the national treasury and not into the company Statoil. With the cooperating parties in the Parliament, the Christian Peoples' Party, and the Center Party, the new government will consider how this will actually be done."

[Question] As a matter of fact there is probably the greatest similarity between the Conservatives and the Labor Party in oil policies matters. Are you concerned about problems with the above-named partners?

[Answer] No, but it is true that, with the exception of the view in regard to Statoil, the distance between the Conservatives and the Labor Party in individual matters has not been great. The differences are deeper in regard to matters of principle. We have committed ourselves to close cooperation with the Christian Peoples' Party and the Center Party in petroleum policies, and we intend to do so. Then we shall see if the Labor Party will go along with some or perhaps several of the individual matters which will be taken up in parliament in the near future.

Statoil

[Question] Why will the role of Statoil in the North Sea be reduced?

[Answer] It is a misunderstanding to believe that the role of Statoil as an oil company will be reduced. We want to keep a strong and vigorous Statoil which will be capable of keeping up with the big foreign companies and will make its contribution to a unified oil situation in Norway. What we want to do is to take from Statoil the responsibility of absorbing enormous common income on behalf of the state. We want to separate the two responsibilities and thereby give the company greater freedom of action.

[Question] How do you think they look at it in Statoil?

[Answer] I don't know. But I do know that, if I were in the top echelon at Statoil, I would feel relieved to get the same businesslike freedom as the other companies, in preference to encountering political roadblocks in business questions.

[Question] Is political insight lacking at Statoil?

[Answer] Absolutely. The Labor Party's understanding as to what kind of political views one can have in a state-owned company is quite exaggerated. When the mixing of business and state control is reduced to the extent we are advocating, one will be far less dependent upon such an insight which in any case would

Tempo

[Question] Do you, as the incoming minister of petroleum and energy regard the objective of 90 million tons of petroleum as a moderate and desirable rate of exploitation, and do you then anticipate having problems with the Christian People's Party and the Center Party, who desire a slower pace?

[Answer] I do not regard the figure of 90 million tons as particularly important. We came up with that figure in 1974, and many things have changed since then. The figure was, of course, also only intended originally to be a possibility. The important thing for me is what requirements the activity in the North Sea will put on Norwegian resources, how the income therefrom will be divided, and the impact of the whole thing on the economic life of the community and on society. The Conservatives and the two centrist parties agree that this basic situation must be thoroughly studied and a basis established for evaluating the pace of petroleum activity.

[Question] Can we expect a more intensified search for oil and gas in the northern region?

[Answer] Yes, we do actually want to increase the pace of exploration in the northern region so that we do not have to make plans in the dark. It is obviously too early to say when actual construction will start, but we should regulate our activity in the south, so there will be a possibility for constructing the fields in the north at the end of this decade if the exploratory drillings up there provide a basis for that.

Atomic Energy

[Question] When you resigned as general director of the Waterways Electricity Board of Norway in 1975, one of the reasons was the lack of political desire to investigate atomic power. Will atomic power be investigated now?

[Answer] No. There is not the same pressure today to expand power production as in the beginning of the seventies, when all policies were based on a continued strong economic growth. The slower growth in the use of energy now is related to the greatly increased cost of that product. This means that we can stretch out our use of hydroelectric power; we have the means and time to wait in regard to atomic power. Thus, we can see the experience of other countries with atomic power.

[Question] Does what you said regarding increasing hydroelectric power further mean that the expansion of hydroelectric power will be accelerated under the former general director of Waterways and Electricity Board of Norway?

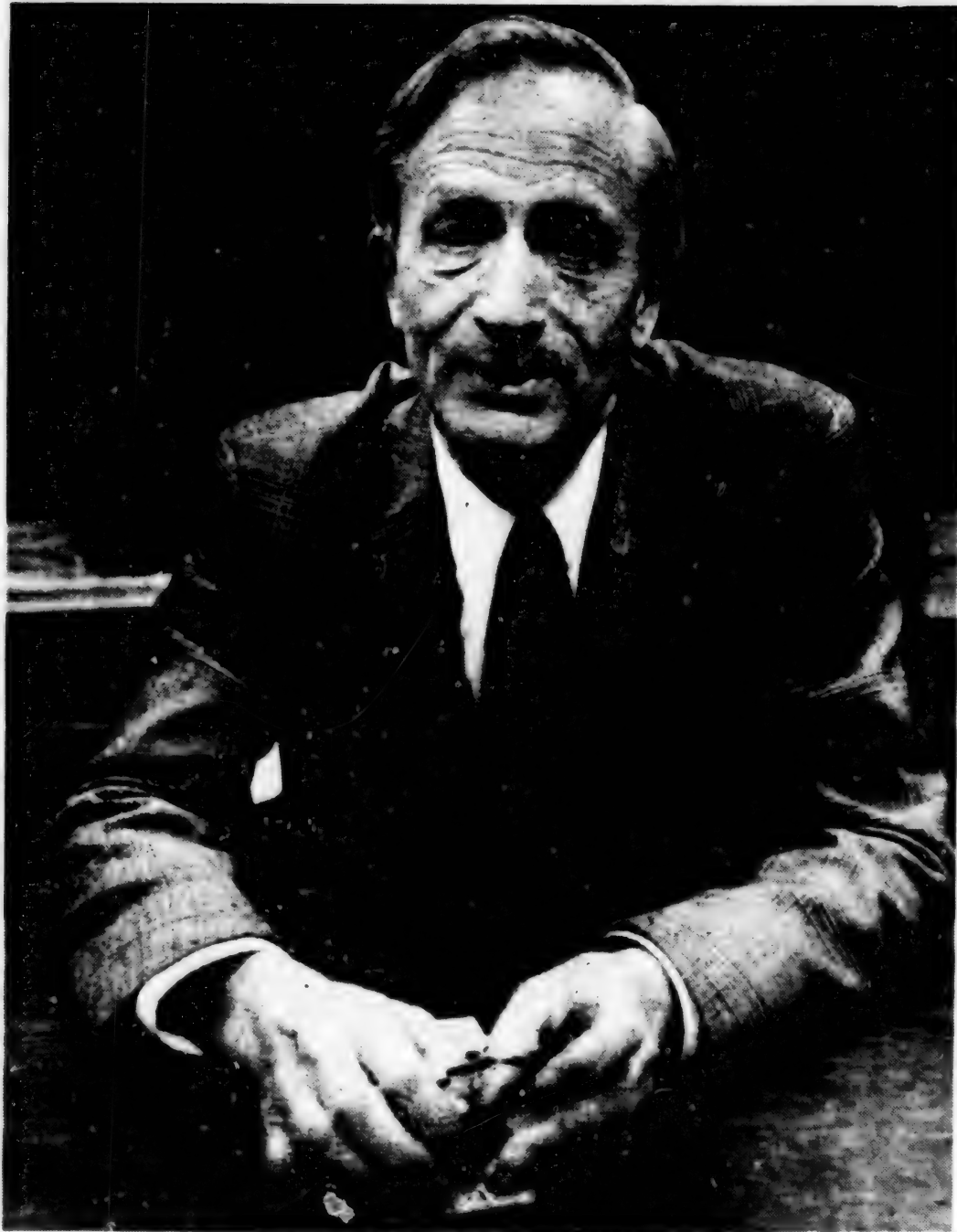
[Answer] No. There will be an expansion but not an accelerated one. When the consumption of energy increases more slowly, it does not mean that we won't expand, but the expansion can proceed at a slower pace.

[Question] Your party, the Conservatives, in its program calls for a division of the Waterways and Electricity Board of Norway. Do you see a need for this?

[Answer] I see the need for separating the handling of waterways concessions from planning regarding the expansion of the waterways system. There is a saying about making the goat fit the size of the oats bag. But I want also to say that in practice it has worked well because the Directorate of Waterways has maintained a high degree of independence.

[Question] The Young Conservatives interpret the platform statement to mean that not only the Directorate of Waterways but also the state power plants will be separated from the Board of Waterways and Electricity of Norway. Do you share this view?

[Answer] No. I do not see the same need for state power plants as for the Waterways Directorate. Supplying electricity is by its very nature a monopoly; the market and competition in the normal sense do not apply in this area. I do not regard the activity of the state power plants as a business operation. Hence, I do not think that such a separation would have any great significance.



6893
CSO: 3108/9

MINISTRY FORESEES SIGNIFICANT ROLE FOR SUN, WIND ENERGY

Oslo AFTENPOSTEN in Norwegian 27 Oct 81 p 49

[Article by Georg Parmann]

[Text] New energy sources can contribute significantly to Norway's energy requirements in the future. This is apparent from the source material which the Oil and Energy Department (OED) has gathered in connection with implementing the parliament's instruction on new energy sources. The material on the possibilities of wind power is the most positive. The conclusion is that conditions are good for developing wind power in Norway and that wind power will be competitive in the foreseeable future.

The basic material also is promising in regard to utilizing biomass and the sun as energy sources in Norway. In regard to wave (tidal) power, where up to now Norway has made its biggest research and development effort, the preliminary report is, on the other hand, not particularly encouraging. According to evaluations made by the Waterways and Electricity Board of Norway, power derived from waves on the basis of Norwegian principles, will at the very best provide current at a price of about 2.50 kroner per kilowatt hour. This is in the basic material which OED has received. However, new price studies will be made, and these should be ready in December. According to what AFTENPOSTEN has learned, the investigations show a 50 percent reduction in the price from the three Norwegian wave-power projects. But, even if this price can be reduced still further, it will be some time before electricity produced by wave power can demonstrate itself able to compete, for example, with heating power generated from burning coal.

According to the report which evaluates the possibilities of utilizing wind energy, wind power plants, which could produce between 12 and 32 TWH (billions of kilowatt hours) annually, could be built. The price would be between 19 and 50 ore per kilowatt hour produced, most likely just under 30 ore. This means that wind power could be competitive.

The report on solar energy indicates that this source of energy can already be utilized today in certain fields, for example, in warming water in swimming halls, sports' establishments, and the like. Solar energy has a significant potential for warming houses, but the price of available systems is at present somewhat high. The calculations are based on a kilowatt hour price of between 55 and 65 ore. New answers in the solar energy field will be able to push prices down. In this

connection, the so-called integrated solutions have a particular interest, that is to say, solutions in which the solar energy system is built in as part of the construction of the building.

There is also a special report which evaluates using solar cells to produce electricity in Norway. Here, too, the conclusion is surprisingly positive. A drastic price reduction in solar cells is anticipated.

Biomass also can be a significant source of energy in Norway, if the figures in the basic report on this energy resource prove true. Biomass includes all forms of renewable organic matter such as wood, straw, the manure from domestic animals, biomass in water (algae) and peat. The most interesting prospects for utilization appear to be long-distance delivery of heat based on burning bark, straw, chips, and on compost heat.

It is difficult to judge what the new energy sources taken as a whole can mean for Norway in the future. That will be one of the things for the department to evaluate in complying with the instructions from parliament. One thing is certain, and that is that Norway is only at the starting point as far as research and development of new sources of energy are concerned. Many projects are, at the moment, only ideas or at the testing stage; and money and time are needed to develop new sources of energy. It is, however, clear from the basic material which the OED has that the possibilities are there.

6893

CSO: 3108/9

STATOIL OFFICIAL: NINETY MILLION TONS ANNUAL PRODUCTION SEEN

Oslo AFTENPOSTEN in Norwegian 20 Oct 81 p 15

[Text] An optimistic estimate of the total reserves of oil and gas on the Norwegian continental shelf total 12 billion tons. A yearly production of 90 million tons can thus be maintained until far into the 22nd century. Vice Admiral Henrk Ager-Hanssen, director of state oil, gave this prospective on Norwegian oil activity in a lecture before the autumn conference of the Society of Norwegian Economists on Monday.

The geologists calculate that the reserves south of 62 degrees latitude are at least 4 billion tons. If it is assumed somewhat optimistically that the continental shelf north of 62 degrees latitude, which is over seven times larger than the shelf in the south, has twice as much, a total figure of 12 billion tons is reached.

Ager-Hanssen did not exclude the possibility that price developments in regard to oil in the next 3 to 5 years may be weaker than the general price rise, that is to say, a decrease in the so-called real price of oil. But it is hardly likely that such a development will characterize the decade of the eighties seen as a whole. Indeed, he said that a very moderate increase in the need for oil can lead to demand pressures in the last half of the eighties.

It is hardly likely that further technological developments in the energy sector will result in alternatives to oil and gas which will be able to compete price-wise with the resources of the Norwegian continental shelf. This is the view of Ager-Hanssen.

The price level for oil and gas will gradually come to equal the levels of other energy sources. But the price level of energy supplies which could replace oil and gas are considerably higher than the current price level for these sources. Ager-Hanssen said that the production of oil from coal will perhaps be profitable when oil prices reach to \$50 to \$60 per barrel level.

The increase in cost in connection with the exploitation of finds at steadily deeper sea depths are such that the profitability of such finds is strongly tied to a further increase in the market price for gas and oil. Ager-Hanssen maintained that the utilization of such finds will also entail significant technological challenges which will require the Norwegian development to be in continual interaction with developments in the international oil industry.

The next big construction project on the Norwegian continental shelf is the so-called "Gullblok." Investment costs for the first phase are calculated at 18.5 billion in 1980 kroner. Ager-Hanssen said that, at an assumed price of 175 kroner per barrel, the investment costs will take 21 kroner, operating costs 34 kroner, taxes and fees 100 kroner, while the companies want to have 20 kroner at their disposition. These figures are undiscounted values expressed in fixed 1980 kroner.

6893

CSO: 3108/9

DGSi DIRECTOR'S VIEWS ON INDUSTRIAL STRATEGY AIRED

Paris L'USINE NOUVELLE in French 22 Nov 81 p 86

[Article by Alain Pauche]

[Text] It is with modesty, but also with precision that Pierre Boisson cautiously commented on some of his responsibilities and tasks in the huge office occupied until a few weeks ago by Jean-Pierre Souviron, director general for industry--an agency abolished and replaced by the General Directorate of Industrial Strategies [DGSi].

Charged with overseeing, on behalf of the Ministry of Industry, the coordination of actions undertaken by the various ministries, the director of the DGSi develops the guidelines of industrial policy and advises his minister on the strategies to be implemented. "Everybody is making industry policy, and it is therefore necessary to coordinate and extract compatibilities." As a corollary, Pierre Boisson has the job of ongoing analysis of the general operating conditions of industrial activities, of proposing adaptations, and of promoting new industries. "We have no miracle solutions," he points out, "but we are sensitive to what I call the biology of enterprises: why does one enterprise develop and not another? Hence the importance of listening in an industry."

The director of the DGSi also has the task of stimulating the regional activities conducted by the industrial directorates of the ministry (Dime [probably DIMME: Directorate of Mechanical, Metallurgical and Electrical Industries] DIEMI [Bureau of Electronic and Data Processing Industries], DICTD [Directorate of Chemical, Textile, and Miscellaneous Industries], whose autonomy and sphere of activity are strengthened; to coordinate the activities in favor of the PMI [Small and Medium Industries]; and to assume responsibility for engineering, which is revealing as to the role which this new directorate should play. "This sector is very important because of its influence on the whole industrial fabric," observed Pierre Boisson, who insists on "the struggle being conducted abroad by engineering to conquer markets."

Also attached to the DGSi are the Industrial Property Office and the Study and Forecasting Center directed by Christian Stoffaes. Pierre Boisson is also president of the CODIS [Committee for the Development of Strategic Industries], "a reception and assistance apparatus which is kept in good shape but which I am going to improve."

Coordination Rather Than Use of Authority

One can see that the director general for industrial strategies could well become one of the most powerful high officials in the country, as were Jean-Pierre Souviron and Gerard Thery, former director of telecommunications. We would bet that Pierre Boisson will not misuse it.

This native of the Jura, who knows how to "keep in the background with public and private enterprises" and who states that he prefers "coordination to the use of authority," nevertheless knows what he wants. "I am obsessed by action over the intermediate term...but just the same I do not refuse to think of the long term."

He adds: "One can do one's thinking in terms of sectors and channels so as to come up with relationships between enterprises. This is our work, but it is not all of our work."

A head mining engineer, 46 years of age, Pierre Boisson is a former student of the Polytechnique (1955) and of the School of Mines (1957). Before heading the geology and ores section of the Ministry of Industry in 1967 and acting as secretary-general of the Directorate of Technology, Industrial Environment and Mines in 1971, he spent part of his career in Algeria. He was technical adviser of the director of industrialization in 1962, and deputy director-general of the National Iron and Steel Company in 1965 and negotiated with the Soviet Union, Italy, and the Federal Republic of Germany for the resumption of construction of the Annaba plant. He was director of development in the BRGM [Office of Geological and Mining Research] in 1973 (evaluation of mineral discoveries), and was appointed 4 years ago director-general of the French Mining Company, a subsidiary of the BRGM.

6108

CSO: 3100/86

BRIEFS

TRADE WITH SOVIET UNION--The head of the Soviet trade mission in Greece, Mr Valentin Novakovski, called on Minister of Commerce Nikolaos Akritidis yesterday and discussed topics related to the development of trade exchanges between the two countries. Mr Novakovski told Mr Akritidis that the Soviet Union is ready to implement the agreement on the purchase of Soviet oil in 1982 which provides for the supply of two million tons. [Text] [Athens ATHENS NEWS in English 31 Oct 81 p 9]

NO PARTY ON INVESTMENT LAW--The main opposition New Democracy Party, in an announcement yesterday, defended Law 1116/81, providing incentives to investors as a "complete, harmonious blueprint" for encouraging investment efforts. The law, the New Democracy statement said, uses rigorous criteria in evaluating proposed investments, and has the advantage of drawing half of its budget from the EEC's Regional Development Fund. EEC aid, the announcement said, is estimated to reach 1 billion drachmas in 1981. With PASOK's coming to power, the statement continued, investors were waiting for positive signs from the new administration in order to continue their efforts. Reports about freezing of subsidies granted under the law, however, have discouraged investors and have slowed down to a halt investing activity, the announcement added. [Text] [Athens ATHENS NEWS in English 31 Oct 81 p 9]

EXPLANATION FOR HUGE DEFICIT--New Democracy circles, responding to a government announcement on the state of the Greek economy, said late Friday that the deficit of 119,085,000 was caused by subsidies paid for farm produce and expenses incurred for unexpected events, such as the earthquakes. The circles added that there was a suspicion that what was being said about economic chaos was meant to prepare the people for large-scale new taxes. After pointing out that the deficit of 119,000 million dr. was much lower than the figure PASOK had quoted during the election campaign, the circles clarified that 20,000 million dr. had been spent as a result of the earthquakes, another 17,000 million to make up for the revaluation of the dollar, and several million of dollars for the purchase of three million tons of oil. [Text] [Athens ATHENS NEWS in English 1-2 Nov 81 p 4]

CSO: 4600/110

INDUSTRIAL GROWTH MARKED; AGRARIAN SECTOR IN DOUBT

Istanbul CUMHURIYET in Turkish 13 Oct 81 p 5

[Report by Osman Ulugay]

[Text] The significance of the agriculture sector in Turkey has been stressed on many occasions recently. Leading Turkish industrialists such as Sakip Sabanci and Vehbi Koc have repeatedly emphasized the importance of the agrarian sector and have expressed their intention to invest in that area. Institutions like TUSIAD [Turkish Industrialists' and Businessmen's Association] have initiated advertising campaigns stressing the importance of agriculture. Meanwhile in various forums, such as the "Ataturk and Agriculture" seminar which started yesterday, attention is paid to the importance of agriculture and measures are sought to utilize more effectively the agricultural potential of Turkey which, as it has often been said, is one of the seven countries in the world which can feed itself.

It is a fact that the agrarian sector maintained its growth rate--even if only to a limited extent--in the period from 1978 to the present--during which time the industry and trade sectors suffered serious setbacks--and thus prevented Turkey's gross national product (GNP) from suffering larger declines. Taking 1978 as the base year the index of the contribution of the industrial sector to the GNP has dropped from 100 to 95.1 in 1979 and 92.2 in 1980. In the trade sector the corresponding numbers for 1979 and 1980 are 97.1 and 93.9 respectively.

The contribution of the agrarian sector, on the other hand, has risen from a base index of 100 in 1978 to 102.8 in 1979 and 104.5 in 1980. As a result of the ability of the agrarian sector to maintain growth during the crisis years it has been possible to keep the decline in the GNP at 0.4 percent in 1979 and 1.1 percent in 1980. If the agrarian and construction sectors had declined at rates similar to those of the industrial and trade sectors during 1979 and 1980 Turkey's national income would exhibit sharper drops and the country would face a more severe case of impoverishment.

The estimates of the State Statistics Institute [DIE] for the 1981 GNP reveal a complete reversal of the trend of the past 2 years; while a speedy expansion is foreseen in the industrial and trade sectors, figures show that the agrarian and construction sectors have entered a stagnation period. In its July estimates the DIE had forecast growth rates of 6.8 percent for the industrial sector and 5.5 percent for the trade sector. In its September estimates announced last week, the DIE has increased these figures to 8.2 percent for the industrial sector and 7.1 percent for the trade sector. Among the subsectors of the industrial sector the growth rate

estimate for the manufacturing subsector has risen from 6.9 percent in July to an incredible 8.4 percent in September, while in the energy subsector this figure has been reduced from 7.3 percent in July to 6.7 in September. Despite these optimistic forecasts, however, it is to be noted that industrial output for 1981 still remains below 1978 levels.

The growth rate for the construction sector is estimated at only 0.8 percent. It is estimated that the Gross Domestic Product will rise by 4.0 percent in 1981 and that the Gross National Product, with the contribution of import generated incomes, will rise at a real rate of 4.4 percent.

According to September forecasts of the DIE the least favorable developments are expected in the agriculture sector. The estimated growth rate for the agrarian sector in 1981 has been reduced from 0.9 percent in the July forecast to 0.5 percent in September. DIE officials have attributed this drop to declines in the output of potatoes, sunflowers and tea leaves. Whereas the DIE's September forecast assumes the wheat crop for 1981 at 17 million metric tons the general opinion is that the wheat crop will be between 13 and 14 million metric tons. In the event these estimates turn out to be correct, it is reported that even the estimated 0.5 percent growth rate will not be possible to realize in the agrarian sector.

This stagnation in the agrarian sector, which has shouldered the brunt of the economy in years of hardship, must be evaluated as a "serious warning." For years no radical reorganization effort was undertaken in the agrarian sector because of political reasons. It is to be recalled that the elements that kept the production going in the agrarian sector were low expenditures and attractive support prices. Consequently one must take into consideration that if subsidies are reduced agricultural production will be adversely affected. Therefore reorganization measures must be phased in without delay while expenditure and price subsidies are reduced or eliminated altogether. Delays in action in this matter can cause the emergence of the possibility--no matter how distant--of Turkey being unable to feed itself and facing a rising unemployment problem.

<u>Development Index of Various Sectors in National Income</u>			(1978 = 100)
SECTOR	1979	1980	1981*
Agriculture	102.8	104.5	105.0
Industry	95.1	92.2	99.7
--Manufacturing	93.6	89.8	97.4
--Energy	104.1	107.5	114.6
--Mining	104.5	106.5	113.5
Construction	104.2	105.0	105.8
Trade	97.1	93.9	100.6
Gross Domestic Product	99.1	98.4	102.3
Imported Income	152.9	115.8	157.7
Gross National Product	99.6	98.5	102.8

*September estimates for 1981 figures

Source: State Statistics Institute

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ULUGAY REVIEWS IMF POLICY, ITS CONTRADICTIONARY IMPACT

Istanbul CUMHURİYET in Turkish 19 Oct 81 p 5

[Article by Osman Ulugay]

[Text] The complaints and requests of our businessmen and, in particular, our industrialists that have gradually gained prominence in recent weeks center around three basic issues. Our industrialists would like to have examined the topics of dealing with inflation, henceforth, not harshly, but in an "agreeable" manner; of revising the monetary-credit policy to ease, at the least, the financing problems of the sectors that are in serious difficulty; and of looking at the situations of firms that cannot direct their products abroad. They would like all this to lead to the possibility of broadening, to a great extent, domestic demand. If these measures are not taken, it is reported, firms that are experiencing and will experience serious financial problems may fall into situations that are not wanted at all and may drag various other firms along with them.

In an environment that generates these requests, the expectations from the Turkish economy in the near future can also show diversity. It can be seen there are still those who miscalculate and expect the monetary-credit policy to be relaxed, the domestic market to be rejuvenated, and the good old days to return. In this respect, careful examination of the report prepared by the IMF to be discussed with Turkish officials in December bears great importance. The report is of the quality to provide a more accurate perspective to the optimistic statements of some officials and the optimistic expectations of some labor leaders.

The complete text of the IMF evaluation just recently came into our hands. It points out that a large percentage of the economic program Turkey promised to apply in the first half of 1981 was carried out, but stressed that "official foreign aid and commercial foreign credits were much lower than estimated." It notes that rising international interest rates have also increased the burden of Turkey's interest indebtedness and states, "Even if there is noteworthy progress in the second half of the year, it is clear that net capital and resources for 1981 will remain far below what had been sought when the 1981 program was prepared. Furthermore, the

possibility that foreign resources will be limited further in 1982 can be seen on the horizon. All of this makes it necessary for Turkey to intensify its stabilization efforts." (IMF Report, page 7)

The report clearly states what is meant by the IMF's words, "intensify stabilization efforts." In summary, the IMF wants Turkey to:

1. Tighten up its monetary policy further. Hold currency demand to a level such that there will be a nominal revenue increase of 45 percent at the end of 1981 and such that a further decline in inflation in 1982 can be ensured.
2. Allow for no concessions at all in its fiscal policy and refrain from increasing public expenditures in particular.
3. Limit the public resources appropriated to the KIT [Public Economic Enterprises] and reduce these organizations' deficits by making frequent price adjustments.
4. Pursue a variable rate-of-exchange policy, speed up the process, and strengthen measures that will ensure that existing resources will be channeled to sectors directed toward foreign sales. Introduce measures that will discourage sectors directed toward the domestic market.
5. Firmly maintain policies that limit wages in order to control inflation on one hand and to keep down costs of production directed toward foreign sales on the other hand.

On various pages of the IMF evaluation, which notes that the private sector's net investments fell by 40 percent in the past 3 years and that unemployment has risen to 15 percent, the importance of diverting resources from the public sector to the private sector is discussed and the need to reverse the trend of declining private investments is emphasized.

When we place the IMF evaluation and requests side-by-side next to our industrialists' requests, an interesting contradiction comes out. The policies proposed, taking into account the shortage of foreign resources in particular, by the IMF, which seeks the strengthening of the private sector in Turkey as in other countries, are seen as being the type that will strain to the breaking point and even topple a considerable portion of the private sector.

There is no doubt that it is not the IMF that is responsible for the establishment of unplanned industries in Turkey. For this reason, in the face of policies set down as conditions by the IMF that will leave out in the cold and spell the end to unsupported structures in these industries, it is necessary to stop and ask if it is the IMF or if it is something else that is guilty. In fact, another point that must be considered is whether or not a model other than that designed by the IMF and similar organizations can be developed in order to straighten out the economy of

Turkey, whose opportunities to secure foreign resources are, as the IMF clearly states, extremely restricted. Those who are prepared to dig the graves for a portion of our industry when carrying out the IMF proposals should probably be thinking about other alternatives as well.

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DINCKOK DISCUSSES HIS WORK ETHICS

Istanbul DUNYA in Turkish 3 Oct 81 p 2

[Report by Gulcin Telci]

[Text] This week our guest is Raif Dinckok, the owner of one of the largest textile establishments in Turkey. Those acquainted with the industry will immediately recall the enterprises associated with Dinckok's name: Aksu, Akal, Dinarsu, Aksa and side operations of these great factories.

Raif Dinckok says: "To have a successful career one must first like his field of work; one must like what he is doing."

And then?

"Being attached to one's work like one's child is the principal strength for work. Moreover, the greatest, inexhaustible capital of the business world is honesty. The loyalty of a businessman to his signature or even to his word is more important than capital which represents the strongest force in business. It may not be possible to tell whether the capital of a businessman or an industrialist is increasing or decreasing, but any businessman who makes a wrong move in business life will always have a question mark hanging over his head whenever it is remembered that 'he took this false step in the past,' even if he becomes very successful later on. Therefore the greatest, inexhaustible capital of a businessman is the care and sensitivity he can attach to his signature and his word. It is within this framework that he can prepare his place in the future."

An Effort Begun In Early Life

Born in 1912, Raif Dinckok entered business life while he was still a student at the School of Commerce. About those days he says:

"I entered the world of commerce at the age of 22. While going to school I used to derive great pleasure from working at my father's firm during holidays. At that time my father was in the ready-made clothing business.

"At 22 I went into business independent of my father. At that stage I was doing contracting work. Right before World War II, in 1938, around the time of Antakya's

merger with Turkey, the Ministry of National Defense awarded me the biggest contract I had had till then. My assignment was to supply clothing and equipment for a guerilla organization which would insure Antakya's merger with Turkey. Although these preparations were made Antakya merged into Turkey without any need to form this organization.

"After the Property Tax [a tax levied on non-Muslims living in Turkey in 1946] I was in the center of the textile business. I built my first textile factory in 1951. I entered the textile industry with the 'Aksu' plant we built in the Bakirkoy-Veliefendi area. At the time there were 200 workers employed at Aksu. Today that enterprise alone employs more than 3,000 workers.

"We have now built several plants in the textile field and in other related fields. Some of these are joint stock companies open to public ownership. The industrial installations which I direct and administer employ a total of 8,500 employees. I am the Chairman of the Board of Directors of Aksu and my son Omer Dinckok, is my deputy."

Aksa, Akal, Dinarsu

Later on Raif Dinckok provided information about the industrial installations he built after Aksu:

"Of these installations, Akal is Europe's most modern acrylic yarn manufacturer. The factory produces yarn out of acrylic fiber. The company was established in 1974 with stock ownership open to the public. Currently 1,500 workers are employed at the factory and a major portion of its production is exported to markets abroad; the remainder is marketed in Turkey."

The Akal factory is managed by Raif Dinckok's eldest son, textile engineer Ali Dinckok.

Let us hear about Aksa, the Acrylic Chemical Industries, Inc., from its founder, Raif Dinckok:

"The factory began production in 1971. We began our efforts to build the factory in 1968. We imported its machines from the Italians. This factory produces the raw material used by the entire textile industry. This material is used in the textile industry in place of wool. It is as durable and as insulating as wool and it can be used in more lively colors in all types of textiles as well as in carpeting, curtains and other knit products. The factory is the largest in the Balkans and it rates fifth in the Western countries.

"As a result of continuing strong demand from abroad, we are now working to double the capacity of the plant. We have already obtained the export guarantee and incentive documents. We will realize our objective within 2 years. Our products are acrylic fiber, tow and tops. We export our products to Western countries, such as Italy, France and Germany, as well as to Iran and Egypt. The quality of our product is better than those produced in Western countries. As a result we are facing a strong demand and we have no difficulty in marketing our entire production which is 50,000 metric tons a year. Of that 30,000 metric tons are consumed as raw material by around 200 domestic textile industries. As I said previously, we have obtained the necessary documents to raise our capacity to 100,000 metric tons to meet the

continuing demand from foreign markets and our expansion efforts are under way. Aksa is also a joint stock company with share ownership open to the public. The company was established through the partnership of Is Bankasi and the Industrial Development Bank."

Devaluations

As a result of Turkey's economic confusion in the last few years, Raif Dinckok has had to suffer the problems many other Turkish industrialists have encountered. During the initial expansion of Aksa he had to pay 550 million Turkish liras in payment of a \$10-million World Bank loan instead of the originally planned 135 million Turkish liras because of the intervening series of devaluations. Fortunately, today's figures make this "exorbitant" payment easy to forget. Says Dinckok: "In current figures, a plant like this cannot be built in our country for less than 12 billion Turkish liras and it would be 5 years before it went into production."

Among Aksa's experiences is the complaint filed by the Italians to EEC authorities. Dinckok told us the story:

"Most of the Italian acrylic plants are state-owned. Some time ago they filed a complaint with the Brussels headquarters of the EEC claiming that we were dumping our product at a price lower than cost. Acting on that a three-man EEC investigation team came to our plant and checked our books. In the end they reported to the EEC that we were selling our product at a profit."

Raif Dinckok gave the following information concerning Dinarsu which was established in 1954:

"At that time we used to manufacture cloth only. In 1968 we began manufacturing yarn and carpets. We are still producing yarn, carpeting and blankets. Currently the carpet industry is paralyzed and consumption is at a low. The chief reason is the sluggishness in the construction sector. In order to maintain full-capacity production we are emphasizing exports. We are hoping that we will expand carpeting exports in 1982. In order to maintain full capacity production and a viable working order we must force the export gates; we must force them open. Since no industrialist can personally embark on such ventures, success in this field is possible by the formation and smooth functioning of well-organized export institutions.

"Six years ago we established an export company which would handle the products of similar establishments. Today we think this company is understaffed. Still, in 6 years we have raised our exports from very low levels to \$23 million in 1980. We had planned an export target of \$50 million in 1981 and we will realize that objective. For 1982 our target is \$70 million.

"As our exports increase we can easily channel our raw material products to our industrialists and our end products to our consumers without having to raise inventories."

It appears that Aksa is also eyeing exports. According to Raif Dinckok, this establishment is exporting goods worth \$5 million in addition to meeting the entire domestic demand. The company offsets its imports with its exports and thus saves foreign exchange.

On the subject of qualities he seeks in executives he works with, Raif Dinckok said:

"In colleagues that I will work with I seek a good level of education, knowledge of foreign languages and an ability to work with pleasure on responsibilities assigned to them. This is necessary for their own success as well. Among people that we work with unsuccessful ones are exceptions. On the other hand, people with exceptional abilities have managed to reach the peak of their respective professional branches by producing more efficient and productive work and by showing that they can handle bigger responsibilities. Such staff member constitute a significant force and support in the success of businessmen like ourselves."

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CRUCIAL RESTRAINTS PLACED ON COTTON EXPORTS

Istanbul CUMHURİYET in Turkish 7 Oct 81 p 5

[Report by Mehmet Yapici]

[Text] Adana--Ekrem Koseli, the Secretary General of the Adana Commodities Exchange, has stated that Turkish cotton exports are becoming increasingly difficult in view of the prices in foreign markets.

Replying to our questions on the issue, Koseli said that cotton prices have been declining on the expectation that there will be record harvests around the world and particularly in the United States. Noting that the current price of cotton is as low as 136 cents per kilogram Koseli said:

"In addition to the expected 5 million-bale rise in the U. S. cotton output, a decline in demand for the commodity in some European countries caused a drop in cotton prices. Cukurova type cotton currently sells for 136 cents in world markets. However, these prices are far below the current 62-lira floor price currently in effect in Turkey. This means that it is impossible to deliver to foreign markets cotton bought at the floor price; there is a large price differential.

"In order to facilitate cotton exports the deduction of 16 Turkish liras per kilogram of cotton applied toward the price support and stability fund must immediately be eliminated. Even that may not be sufficient. In that event other steps must be taken. Unless this course is taken there can be no cotton exports."

The Executive Board of the Adana Commodity Exchange has requested the chairmanship of the Monetary and Credit Committee of the Prime Minister's Office to seek a solution to the problem. Noting that the world cotton prices are continuing to fall, the request says:

"It is observed that competing nations are selling their cotton in accordance with world market conditions and that if we are late in entering the market and making sales it is certain that we will lose orders for the immediate future (October and November) to our competitors.

"As a consequence of the continuing gap between the domestic and the world price of cotton our exporters cannot make inroads into foreign markets. In addition to the negative effect it has on the exporter this situation can lead to such grave consequences as the flooding of the domestic market and the ensuing threat to the value of the producer's crop.

"In the light of the situation we have tried to explain above we respectfully request necessary decisions and actions in connection with the elimination as soon as possible of the price support and stability fund with the aim of securing some conformity between the domestic and world cotton prices and in order to facilitate the timely export of our cotton under best conditions as well as to prevent the collapse of the domestic market and losses to the producer."

Meanwhile, it was learned that cotton traders are withdrawing from the Cukurova buyers' market as a result of the low prices in foreign markets. As a consequence of this trend, CUKOBIRLIK [Cukurova Cotton and Citrus Fruit Agricultural Sales Cooperative Union] is now the sole cotton buyer in the area. The seeded cotton harvest is expected to be around 700,000 metric tons in Cukurova and the South-Southeastern region. It is asserted that CUKOBIRLIK, as the sole buyer, will not be able to handle this load.

Circles close to the cotton market state that CUKOBIRLIK, which will come under heavy pressure during the purchasing period, does not have the capacity to process such large amounts of cotton and that it will not be able to marshal the exports all by itself.

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PERMISSION AWAITED FOR NEW EXPORT BANK

Istanbul CUMHURIYET in Turkish 8 Oct 81 p 5

[Report by Meral Tamer]

[Text] Speaking for the Turkish Export Bank, which is waiting for permission from the government to start its operations, Hayrettin Erkmen, chairman of the Enterprising Executive Council, said that the bank they are going to establish will be a specialty institution and that it will not accept deposits.

Stating that an official application for the establishment of the Export Bank was submitted to the government on 27 March, Erkmen said that they have not yet received a favorable reply to their request since the government is currently working on new guidelines pertaining to the establishment of banks. Erkmen said that they had originally planned to start banking operations around the beginning of 1982 but that in view of the delays they have put off their plans.

Erkmen pointed out that the Turkish Export Bank, for which preparatory work is under way, was started with the initiative and encouragement of exporters who are seeking foreign markets for their products and who, however, do not have the support of banks and large exporting firms. Erkmen added that the export credits to be extended by the bank will carry lower interest rates than those supplied by other banks.

Speaking about the type of operations to be undertaken by the bank, Erkmen said that their goals are to find new markets for exporters, to maintain the continuity of existing markets, to finance exports with credits and to reduce exporters' risks to a minimum through the introduction of an export insurance system.

Erkmen mentioned as future goals the establishment of warehouses and entrepots in new markets for Turkey such as Libya and Saudi Arabia and the introduction of a well-trained and effective foreign exchange service to protect the exporter from losses resulting from currency exchange rate differences when convertibility is introduced. Erkmen said that their objective is to provide fast and efficient banking service--except for bureaucratic obstacles arising from export regulations--adding that with the aid of computer systems to be installed it will be possible for a customer of the bank to learn in 20 minutes how to realize an export transaction.

Speaking about the capital structure of the bank, Erkmen stated that the total capital will be around 2 billion Turkish liras, that the bank will be a partnership consisting of 181 members each contributing between 1 million and 20 million Turkish

liras, that half of these partners are export companies and that the other half is made up of exporters and export oriented producers and carriers. Noting that the share of each partner in the bank is limited to 10 percent of the total, Erkmen said that preference toward the industrial or the agrarian sector is not being contemplated and that, however, most of the partners so far are operating in the agriculture sector.

Erkmen noted that their banking operations will be based on a broad telex and computer network as well as other modern equipment, a limited number of branches and a small number of well-trained personnel. He added that the bank will have its headquarters in Istanbul, that branches were planned for such export centers as Izmir, Mersin and Samsun as well as Gaziantep, the grain center of Southeastern Anatolia, and that the total number of the bank's branches will not exceed five or six.

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ELECTRICITY CUTBACKS TO BYPASS EXPORTING COMPANIES

Istanbul CUMHURIYET in Turkish 12 Oct 81 p 5

[Text] Izmir--CUMHURIYET Aegean Bureau--Private companies with export commitments are now under a protection plan by the Turkish Electric Power Enterprise (TEK). These companies which number around 100, will be exempted from power cutoffs until their export commitments are fulfilled. It has been learned that the plan will be put into effect through an arrangement between TEK and local governments.

Taking into account the reaction of industry chambers against the power restriction program begun 1-1/2 months ago TEK decided on a special program. Considering that a preferential treatment program without any criteria would be too broad-ranging, TEK decided that exports will be taken as the basis for preferential treatment of industrial firms. Consequently only firms which have export commitments of at least \$5 million and which can substantiate their claims through the Central Bank will be eligible. Initial results of the program, which began last week, indicate that around 100 companies in Turkey are currently included in the program described as "close protection." These companies will be exempted from power cutoffs in the period of carrying out their export commitments.

TEK officials noted that although the companies under protection, in principle will be exempted from scheduled power cutoffs there can be unforeseen breakdowns in the national grid. Consequently a special dialog will be established between production units and local governments. With this objective in mind a special procedure was decided upon for larger municipalities. In the event there is a power shortage in the national grid these municipalities will be able to ask firms under protection to shift their work hours.

Another point that is interesting in TEK's decision to relax the power restriction program is its permission to larger companies to produce their own power. TEK officials said applications on this issue are being studied and that a reply will be forthcoming in at most 1 month.

In the course of our investigation to learn about the position of the firms under protection, officials of the Aegean Industry Chamber and the Eskisehir Industry Chamber confirmed the close protection program.

TURYAG's Energy Production

Meanwhile, TURYAG [Turkish Oil and Oil Products Corporation] became the first company in Turkey to be permitted to produce power in its own plant. Kamil Haznedar, Secretary General of TURYAG, stated that the required permission was obtained from TEK and that their energy unit will go into production around the beginning of October.

Commenting on the issue, Haznedar said that TURYAG is one of the companies included in TEK's "close protection" program. He added that despite the protection plan they have decided on producing their own power in view of their expectation that in the long term "restrictions" will continue. According to information received the TURYAG energy unit, which will operate at the Turan installations, will have a capacity of 1,300 kilowatts which is sufficient for TURYAG's production needs. Secretary General Haznedar said:

"We evaluated the issue over a 5-year development period. As a result we found this decision necessary. Although we are producing our own energy we are implementing the government's energy saving measures to the letter. For example, TURYAG no longer has any lighted displays. Moreover, working hours have been shifted to off-peak hours."

As is known the law governing the establishment of TEK does not permit independent power production by private companies. However, it was learned that this law is based on a capacity of 1 megawatt and that companies wishing to produce power beyond this capacity will be granted permission to do so.

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GROWING EUROPEAN PACIFISM: CAUSES, FORECAST

Paris LE FIGARO in French 6 Oct 81 pp 1, 2

[Article by Alfred Fabre-Luce: "Cry of Alarm"]

[Text] On its home ground the United States is actively working on weapons intended for the defense of Free Europe, weapons which many Europeans do not wish to receive (according to a recent poll, 71 percent oppose the neutron bomb in the FRG). Neither do those Europeans contemplate strengthening their own military cooperation effort. So apparently they want neither to be defended by the United States nor to defend themselves together. Are they already resigned to throwing in the towel? One might well ask, but they are not asking that of themselves. This whole situation is absurd.

In May, on the eve of an apparently local event--the legislative elections in the Netherlands--, I reported here the rapid growth of pacifism in Western Europe. In fact that Dutch election constituted a new stage in the process which was underway. Today it is once more on the occasion of a local event that I must draw attention to this contagious spread.

This week the British Social Democratic Party is holding its first congress. A poll gives this new party plus the Liberal Party 40 percent of the vote in the next legislative elections if they run as allies before the general electorate. Now then, the Liberal Party has just opted a motion opposed to setting up Euromissiles on British territory which were planned for by a NATO decision. Will people who yesterday were Labor Party members dare to adopt a less progressive stance on this score than Liberal "centrists"? And if they do, will the alliance between democratic socialists and liberals, broken up over such an important point, still be credible?

But for today let us just fix in our memory this extraordinary development in public opinion which has not occurred in Great Britain: Labor and Liberals are openly opposed to a decision which is the test of Atlantic fidelity these days. To be sure, the Conservatives are standing fast. But they are given only 25 percent of the vote in the next election. Only 2 years ago Chancellor Schmidt was saying that the FRG was prepared to accept the new American Euromissiles on German soil if another country "on the continent" accepted them also. Great Britain, already a nuclear power and a pillar of NATO, was not even being taken into account: its loyalty seemed assured. Reminding oneself of this makes it possible to assess how much the situation has deteriorated.

Since the small Western states are faltering to a greater or lesser degree, the "other" country on the continent on which the Bonn Government can rely is Italy. In fact, Italy has provided for a site (in Sicily) where Euromissiles could be set up. But this plan is provoking the same regional opposition among our neighbors as is seen in other countries. Moreover, it is a question of a site "yet to be constructed" (while the German sites already exist). So, for these political and technical reasons, one might wonder if Italy will be in fact prepared to implement NATO's decision by the projected time (1983).

Brezhnev's goal is to get the Western countries to completely "give up" the idea of installing Euromissiles capable of effective counterbattery against the Soviet SS-20's in return for a mere "reduction" in the number of those SS-20's or a "shift" in where they are based on Soviet territory. Whatever the details of the agreement, the USSR would ultimately be preserving the means of destroying Free Europe's defenses with no possibility of reaching Soviet territory with similar missiles from Europe. The Kremlin would most likely give up that demand if it found itself faced with genuine Western cohesion. But that cohesion only exists on paper.

All Western governments bear their share of responsibility in this disarray. Let us start with Washington's. While Ronald Reagan was asking the Europeans to accommodate mobile missiles on their soil, he was giving in to the American voters of Utah and Nevada who found the installation of similar missiles on their territory disturbing. Now then, those American states are less built-up than is Western Europe, so the problem presented to them was less difficult to resolve. The White House has now come back to the idea of refitting fixed sites while awaiting a future solution which will perhaps be merely a redistribution of missiles among permanent silos, vehicles being moved around, aircraft, and submarines. In Europe a solution could be found as well, if people wanted to take the trouble. But American election-oriented maneuvering has not provided a good example.

France inveighs against the threat of the SS-20's but does not anticipate either returning to NATO or backing up NATO's response by expanding its own tactical nuclear weaponry. Thus France finds itself in the slightly ridiculous situation of being a Marius on the wharf in Marseilles harbor cheering his fellow stevedores on to work without lending them a hand.

It is time to utter a cry of alarm, because that cry can still be heard. In the FRG the German socialist party's defeat in a recent regional election seems to herald success for the Christian Democrats in the next elections and a swing by the Liberals towards an alliance with them, which could mark the beginning of a new era. In Great Britain young pacifist militants are attempting to impose their extremist views on more reasonable leaders in the Social Democratic Party as well as in the Liberal Party. Will we see those extremists triumph in the Social Democratic Party this week as they triumphed in the Liberal Party? Let us hope instead for an ebbing of the tide which could spread to the Liberal Party and allow its leaders to recover lost ground. In France a clearer awareness of its danger might lead President Mitterrand to become less sympathetic to the fairly soft compromise he was thinking of before the presidential election and to become more clear-cut in his European policy.

I said that the opposition to Euromissiles is to a large extent the activity of European young people. However, this is not really a conflict between generations.

Older people represent to their juniors what the latter "themselves" will be thinking before too long. (Western Europe has lived through this sort of business before, between 1936 and 1939). Let us imagine what might be the sequence of events by extrapolating from the present facts. Let us suppose that Western Europe finds itself without "theater weapons" and in addition dependent on Soviet natural gas. The USSR would then take advantage of its superiority to present new demands (of a military, political or cultural nature) which people would have trouble seeing as acceptable, even those people who had unintentionally caused them.

In order to prepare public opinion for what is necessary in order to put things right, the public must be made aware of a fundamental fact which it tries hard to ignore. If central Europe were to become a zone of Soviet influence, the fear felt by Germans today would come over Frenchmen as well. They too would start to say that the presence of nuclear weapons attracts danger rather than keeps it away. It is better to state things frankly as they are: the commitment of the United States on behalf of Europe's defense and France's all-out nuclear commitment to its own defense are both uncertain; but if they were to really be mutually supportive of each other, they would create the maximum security we can hope for in a troubled world.

9631

CSO: 3100/51

FRENCH, EUROPEAN DUTY TO PROVIDE SELF-DEFENSE

Paris LE MATIN in French 9 Oct 81 p 13

[Article by Thierry de Beauce, specialist in international problems, author of "Desir de guerre" [Desire For War] and "La France dans le troisieme conflict mondial" [France in the Third World War], Hachette publishing house,: "The Taboo on European Defense"]

[Text] The assassination of President Sadat seems to have given rise to deep-seated anxiety in Western public opinion. Furthermore, some go so far as to say that "World War III" has now begun. That is an extreme assessment. Nevertheless, the uncertainties which hover over the Near East as well as the tensions which those uncertainties can drag into East-West relations and the North-South dialogue make the European defense issue very topical again. It was recently brought up by the prime minister, Pierre Mauroy, who said that the European partners should reflect together on their defense. Here is the view of Thierry de Beauce, a specialist in these problems.

The East-West conflict is settling in to stay. Detente has lasted a long-time. Politicians are getting themselves set up to do away with it: there is the Brezhnev succession as well as the American outburst. When international relations go in for paranoi, new arms programs match the political escalation. The worst, because it is believed in, becomes a certainty and any respite is a measure of hope.

In a more insidious manner, the North-South conflict increases the areas of risk which are so many Balkan hotbeds spread all over the surface of the globe. Driven to the brink of despair, peoples will surrender themselves to suicide as well as regimentation. Though the wealth of some seems extravagant, there is no sign of help for the poverty of the others.

Faced with so many encircling threats, Europe has given up. It makes itself subject to strategies in which it is not involved: is Europe going to accept the supremacy of the Soviets in tactical nuclear weapons, in conventional deployments, or more simply in the will to win? On the other hand, is Europe going to be subjected to American rearmament and serve as a battleground because of risks which are out of its realm? Just like it did at the high points of the Cold War, the rise of a kind

of hireling pacifism is responding to the resurgence of Atlanticism. German "neutralism" goes together with British conformism. Stuttering along, history is repeating itself, but Europe continues to keep its distance.

However, Europe is the number one affected party. Europe is dependent on the Third World, the Middle East and Africa for its energy and raw materials supplies and, to a greater extent, for commercial outlets. It relies on East-West balance for the right measure of security. Americans have some margin for maneuvering available to them which makes their guarantees range as less valuable. But Europeans do not have that choice. In all conflicts which are taking shape they are on the front line with recourse to nothing but their cleverness.

Speaking diplomatically, Europeans can fill the conceptual void which too often makes Reaganite analyses into an incarnation of Cold War Manichaeism doctrines. In the Middle East people are aware of this and would prefer not to have to content themselves with face-to-face encounters with America, and do this by finding a possible counterweight in a European policy. Therefore, the president of the French Republic's trip to Riyadh had significance of that kind. In Africa there is uneasiness about overhasty condemnation of progressive regimes, the terms and attractions of American friendship, and the rival crusades which beckon to the two big powers.

There remains the problem of defense. A quantitative assessment of the military forces which Europe has available does not justify all kinds of pessimism because it is a matter first of all of a problem of logic. Europe and its neighboring areas, integrated into American strategy, require protection in proportion to the balance which they guarantee. But if they were relatively disconnected from that strategy--which would be no obstacle to their maintaining essential loyalty to their alliances--they would be positioning themselves in a different set of balances. The USSR would have to take this relative disinvolvement into account.

European independence defined in this fashion comes under neither neutralism nor the spirit of Munich; quite the contrary. By asserting its own strategy, Europe would be demonstrating its will to defend itself and to agree to make the necessary efforts. The logic of French deterrence would be rediscovered on a broader scale: this is changing the perspective in which it is seen in order to alter its balance.

The Euromissiles affair is a good example in this regard. The Americans treat it merely as a particular condition of their strategic dialogue with the USSR: Europe is only one stake among others in the continuing overall negotiation between the big powers. In this kind of context, the countries of Europe are justified in disassociating themselves from a rivalry which is beyond their realm. The build-up of weaponry on their territory does not mean much any longer in the face of the limited objective that weaponry represents. It would be better to bring the debate back down to the scale of their own defense and not to confine their military role any longer to the subordinate levels of an intercontinental escalation.

Aided by a more autonomous policy, Europe, paradoxically, becomes less threatening: one can take its war aims into account and reckon when they will be on the defensive.

Constructing a European defense is at the heart of this readjustment. Of course the kinds of wariness and emotions such an idea would summon up are well known:

Soviet fear and American contempt, if not mistrust among Europeans themselves. France, for its part, might find the nuclear strategy principle of its deterrence--which has been reaffirmed several times--incompatible with an orientation towards a European expansion of nuclear responsibilities. But none of that justifies Europe's strategic passivity.

By making reference to the notion of European defense at the Institute for High National Defense Studies, the prime minister has triggered a kind of revolution in spite of the cautiousness of the reasons given for that reference: outside the usual rules of thumb of military doctrine, a different policy is being sketched out which does not give up anything we have achieved. France could contemplate putting into a broader perspective her patient efforts at military coordination, discussion with the FRG about nuclear strategy, and bringing together arms industries, but could also contemplate renegotiation of the Atlantic Alliance and a new allocation of responsibilities among Europeans. The Germans, more uneasy than ever about the uncertainties of the American guarantee and not very keen on self-Finlandization, are ready for that kind of discussion.

Before the First World War those Frenchmen who wanted revenge on Germany and were rebuilding their army in obscurity used to say, "Think about it always but never talk about it." Those who believe in Europe have made too much use of that same refrain. Thirty years after the CED [European Defense Community] quarrel, and in a very different context, France, which has become the largest--or the only--military power in Western Europe, has a duty to lift the taboo. When wars are brewing there is urgency. All too soon from now it will seem too late to summon up our wills.

9631

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POLITICAL, ECONOMIC, LINGUISTIC PROBLEMS OF BRUSSELS

Brussels LE SOIR in French 19, 20, 21 Oct 81 p 2

[Articles by Jean Lienardy]

[19 Oct 81 p 2]

[Text] "The Brussels problem": Another one of those expressions in Belgian political jargon that veils more than it reveals. And it veils it well, considering the innumerable tribulations of every kind it has already caused in our country's political life.

Defining the problem as merely an institutional question is somewhat glib; there is also--if not before anything else--a whole socio-economic dimension, one which is felt all the more keenly by the people of Brussels because our country continues to suffer from economic crisis.

Initially we will examine the various aspects of the economic problems facing Brussels and its environs. We will not distinguish between the 19 central parishes and the 6 others on the periphery which also enjoy "facilities": Because the problem cannot be ignored simply by crossing a boundary line. Then we will look at the institutional aspects of the problem. Finally, in the third article, we will review the positions taken by the various francophone parties on the whole range of "Brussels and environs questions."

To look at Brussels from a socio-economic point of view is to examine several sets of factors. All are not equally important, but their impact and combined development make for a kind of portrait of Brussels and its environs, one which is by no means "generally positive."

What are these factors? (1) First of all, because there can be no economic life without it, there is the population. Next come the engines of the economy, that is, industries and enterprises. Finally, there are the resources disposed of by the enterprises for operations and growth, including investment and assistance from the state.

A Population Declining and Aging

The population of Brussels has several deficiencies: It is declining, and it is also aging. And one of the thorniest problems of this great urban center is the presence of a large number of foreigners, which only reinforces Brussels' demographic uniqueness. Compared with the other two regions of the country (Flanders and Walloon), the birth rate of Belgians in Brussels is the lowest. At the same time, the birth rate among foreigners in Brussels is twice as high as among the Belgian population as a whole.

With respect to the death rate, Brusselites have one of the highest in the country; resident foreigners have a death rate 3 or 4 times lower than the Belgian population as a whole. This related to the age distribution of the foreigners, who are much younger. But one immediate consequence is apparent: The population of Brussels as a whole has to support a much heavier social burden as a result of the proportionally higher number of people no longer in the job market.

The economic crisis we are going through has led--especially since 1974--to an overall decline in available jobs in Brussels. This does not count public sector employment. Thus, between 1974 and 1978, industrial jobs declined by some 20.5 percent, while employment in the building trades went down by around 23 percent. At the same time, the overall number of workers receiving unemployment compensation increased by...217 percent. It must be added that the distribution of economic activity between the three traditional sectors (primary, secondary--manufacturing industries--and tertiary--services) is highly skewed in Brussels, by comparison with the other two regions of the country. Leaving aside the primary sector because of its negligible size, the distribution is 78.1 percent tertiary, against 21.9 percent secondary. By comparison, Flanders is 52 to 48 Walloon 57 to 43.

Vulnerable Businesses

Is the perhaps dangerous predominance of the tertiary sector in Brussels the only peril faced by the businesses in the metropolis? Two factors should be considered: First, the size of the businesses, and second their increasing number. Contrary to what is widely believed, the number of big businesses in Brussels is proportionately larger in Brussels than in the other two regions of the country. Defining a small business as one which employs 1 to 49 people, a medium-sized business as one which employs 50 to 99, and a big business as one with 100 or more workers, we see the following regional distribution (in percentage terms): Brussels: 94.40, 2.63, 2.97; Flanders: 96.35, 1.89, 1.76; Walloon: 97.14, 1.48, 1.38. For the country as a whole, the breakdown is: 96.28, 1.88, 1.84.

Brussels' predicament is thus all the more a cause for concern to the extent that the economic crisis has brought about a higher rate of demise among medium and large businesses; particularly since the demise of businesses, and therefore jobs, is not offset by the creation of small businesses. Must one deduce from this that the entrepreneurial spirit is dying out more rapidly in Brussels than elsewhere?

*A very detailed analysis of Brussels' various problems has been carried out under the supervision of Professors Anne-Marie Kumps, Francis Delperee and Robert Witterwulge, under the title "The Future of Brussels", published by Publications des Facultes Universitaires Saint-Louis.

Short Shift

Analysis of the region distribution of investment shows that between 1964 and 1976 Brussels' share steadily declined, going from 9.1 percent to 5.1 percent; during the same period, Walloon's share also declined, from 39.2 percent to 31.4 percent of the national total, while Flanders increased from 51.7 percent to 63.5 percent. All these figures underscore trends which seem only to be increasing in each of the three cases.

With respect to assistance from the state, one must note first of all that Brussels has not benefited from all the economic expansion legislation; it has only been able to get full benefit from the law passed 24 May 1959 making credit more accessible to the middle class. But the real distribution of this assistance between the regions shows that Brussels has not really gotten its full share, considering the relative distribution of small and medium-sized businesses in the country (Flanders 54 percent, Walloon 30 percent, Brussels 16 percent between 1970 and 1978). In fact, Flanders received 62 percent of the guaranteed loans provided for in the 1959 legislation, compared to 28 percent for Walloon and only 10 percent for the Brussels region.

Brussels has gotten the same skimpy piece of the pie in the assisted investment in the secondary sector, where in 1978 Flanders received 71.9 percent (even though it has only 59 percent of the businesses in the sector). Walloon received 22 percent (with 29 percent of the sector), while Brussels had to be content with 6.1 percent of the assistance, while its share of the nation's secondary sector was 12 percent.

There are certainly many dry statistics and inter-regional comparisons, all of which lead to the same conclusion: Brussels' socio-economic state of health is hardly glowing. But, as in any illness, if strong medicine is required, it is nevertheless equally essential to avoid giving the patient something that will kill him, or leave him broken and further weakened. Doubtless one should also ask another question: Does "ailing Brussels" not require special treatment, special medications different from those administered to the other regions of the country?

[20 Oct 81 p 2]

[Text] "Imagine the father of a family who cuts two pieces out of the holiday cake and immediately gives them to the older sons and then turns to his youngest and says: "And now we are going to talk about your share!" This is the image used by Professor Francis Delperee of UCL [Catholic University of Louvain] to describe the results of last year's institutional reform as they affect Brussels and its environs.

Whether the issue is drawing its boundaries, the operation of its institutions, or the budgetary and administrative resources it must have to carry out its responsibilities, the Brussels region is still a question mark.

What we are accustomed to call the "Brussels issue" is one of those ghosts which haunt Belgian political life and adorn its political posters, a Pandora's box which the politicians balk at opening but to which they all claim to be the only one in possession of the key.

While it was forgotten in the August 1980 regionalization, the Brussels region is still very much alive. After all, the famous Article 107 paragraph of the Constitution in the very first line enunciates it clearly: Belgium comprises (Editor's note: Yes, the verb is in the present tense!) three regions: The Walloon region, the Flemish region, and the Brussels region. And the amended text of December 1970....

For the time being, since the lawmakers must still decide on the territorial boundaries, the Brussels region only consists of the 19 parishes of the Brussels bilingual capital administrative district.

The Difficult Problem of Optionality

Where does that leave the parishes on the outskirts? One must first of all distinguish between those that have linguistic facilities and those that do not. Certainly, both belong to the Flemish region; but, because of the large French-speaking contingent, the parishes of Drogenbos, Kraainem, Linkebeek, Rhode-Saint-Genese, Wemmel and Wezembeek-Oppem have been given special status: Both in teaching and in their dealings with the administration, the French-speakers may use their own language instead of Dutch. Can such an arrangement, very controversial in Flemish circles, be maintained indefinitely? In the event the six parishes enjoying optionality are made part of the Brussels region, some Flemish citizens may well say that what used to be an exception was now becoming the rule.

After all, there are many proposals as to the future status of Brussels: Some speak of a "European district" which would be justified by the place our capital occupies in Europe: In a sense, we would be a little Washington in a regime the constitutionalists themselves hesitate to describe as federal. Others would like to see Brussels attached to Walloon. Still others want special status but along the lines of what is already in existence in the North and the South. This too has problems.

There Are Districts...And Districts

Naturally, the regional organs still to be created for Brussels should be filled with/elected/representatives. Now the Brussels electoral district does not have the same boundaries as the administrative district: Add to that the Hal-Vilvorde ward, which is made up of precisely those six parishes with optionality. So, must we expand the boundaries of the Brussels region to coincide with the electoral district, or the reverse? The economic condition of Brussels, which we examined in a previous article, would doubtless argue for expansion, unless one is prepared to doom the region to slow suffocation.

You Said Guarantees?

Once the boundaries are drawn, the Brussels region must still be provided with institutions. Then we are back again to the old problem of the relations between the communities, since one of them believes itself relegated to minority status. And demands guarantees. What kind? Minimal representation in a future regional assembly? An "emergency brake" which could be pulled by the members of that community to block any proposal which, in their opinion, infringes on their interests? Veto rights within the regional executive? All these possibilities are open at the regional level alone.

The list could be expanded at the level of the parishes: Some have proposed the creation of the position of vice-burgomaster in all of Brussels' parishes, or even a minimal number of deputy-mayors, no matter what the electoral ratio of the communities. These are only a few examples among many; it is not ideas that are lacking, but solutions.

What Resources for What Responsibilities?

Beyond the strictly juridical aspect of the problem there loom other questions: What financial and administrative resources would the Brussels institutions have? In budgetary terms, so long as the region is not legally organized there will be no regional taxation in Brussels: The budget will be funded only by an appropriation voted by Parliament and distributed among the three regions in accordance with the following formula: Walloon, 39 percent; Flanders 52 percent; and Brussels, 9 percent. That formula takes three factors into consideration: Population, land area and taxes on individuals. But have Brussels' unique responsibilities--as the capital of the country and the headquarters of a number of international institutions--been provided for in that appropriation?

Similarly, with respect to administrative resources, the question arises as to what linguistic arrangements will exist in the future regional bureaucracy: Bilingualism in the agencies and employees, which is what we have now in the Brussels capital region, or bilingual agencies and unilingual employees?

Who Decides Things in Brussels?

But beyond matters of the budget and bureaucracy, what jurisdiction will it have? At the regional level, some of the issues are regional development, environment, housing. In the absence of a regional assembly, it is the House and Senate that retain the decision-making power.

Community type issues should be divided according to whether they are "cultural" or "personalizable" (those relating to individuals). As examples of the former, we can cite the fine arts, radio and television or continuing education; of the latter, health policy or assistance to individuals.

In both categories, the institutions which, by reason of their activities or their organizational structure could be considered as francophone or Dutch-speaking will depend on their corresponding community assembly. With respect to institutions which are considered to belong to both communities, only the national Parliament will have jurisdiction. But however it is resolved, Brusselites will see the decisions on matters of direct concern to them made by bodies in which they remain a minority: The question of an assembly for Brussels itself thus stands sharply out in need of resolution.

The Brussels question most certainly remains one of great complexity. This is even further reinforced by what one might call the "rebirth" of emotional commitment to Brussels itself: Some people both in the North and in the South jumped too quickly to the conclusion that the apparent indecisiveness of the Brusselites could be exploited to conquer the central region of the country. The compromise on Brussels--as questionable as it is lame--to which the regionalization of August 1980 has led is clear proof of this. And it cannot be said that one will ever forge past an obstacle by indefinite retreat from it. Putting things off until tomorrow, resolve is weakened. Unless, indeed, that is the object....

[21 Oct 81 p 2]

[Text] Every self-respecting campaign platform has at least one section devoted to Brussels and the Brussels region. Each one has its own little idea, and each platform elaborates a plan or strategy, often prefaced with the statement that of course nothing can be done without dialogue or negotiations of some kind. Paradoxically, however, all the parties insist on the urgency of solving the "Brussels problem."

This is not the only contradiction: For example, while the president of the PS [Flemish Socialist Party], Guy Spitaels, emphasizes the close ties which Brussels and Walloon should have in a federal Belgium, voters in Brussels are seeing the walls in the capital city plastered with signs for Henri Simonet, who heads the PS list in the House and proclaims: "Let us save Brussels and Preserve Belgium" with a sweet scent of unitarism....

For the PS, five fundamental principles must guide the search for a solution to the "Brussels problem." In the first place, there can be no question of leaving the problem indefinitely in the hands of commissions. Next, the status of Brussels should be the same as that of Flanders and Walloon, in terms of institutions, authority and resources. Third, the region's boundaries, presently in provisional status, should be redefined: According to the PS, that redefinition must take into account economic viability, sociological consistency and zones where the two communities interpenetrate.

The francophone Socialists intend to address themselves "resolutely" to the problems posed by the francophone presence in the outlying parishes of Brussels: About 100,000 people on the outskirts are expressing a preference for belonging to the Brussels region, and the PS believes that they should be granted that status along with the rights appertaining thereto: That is all they have to say about enlarging the boundaries of Brussels.

The fourth principle maintained by the Socialist is the need to give the region and its parishes adequate financial resources. These resources should among other things take into account Brussels' responsibilities as the capital city and headquarters of European institutions, according to the PS, as well as the unique financial condition of the parishes in the Brussels region. Finally, the French socialists are opposed to any "piecemeal approach" to the Brussels "problem."

We would further note that the PS is in favor of the elimination of the metropolis as a governmental entity, whose jurisdictional authority and employees should be transferred to the region and/or the parishes. Also, the Socialists are calling for the establishment of bilingualism in services and unilingualism among employees in the local and regional agencies situated in Brussels.

Liberals in Favor of Referendum

In the opinion of Mr Gol's liberal reformers, the organization of the Brussels region should take into account Brussels' special situation. It is at once a great city, region, the capital of Belgium where both Flemings and French-speakers live, and the capital of Europe. Brusselites should have the same rights as other citizens,

according to the PRL [Party of Reform and Liberty], and they themselves should manage the affairs of Brussels proper. In the liberal view, it is necessary to facilitate a harmonious development--at all levels--of the Brussels metropolitan area. The boundaries of the Brussels region, they say, should be established in accordance with the freely expressed preference of the inhabitants; which means resorting to a referendum.

FDF: "Master in One's Own House"

"Brusselites, be masters in your own house!" Such is the slogan the platform of the FDF-RW [Democratic Front of Brussels French Speakers-Walloon Rally] is trying to promote as a "strategy for autonomy." FDF-RW no longer wants "regionalization by devolution;" rather it wants to build Belgium (if possible) from the bottom up, rather than from the top down. According to this plan, Brussels and Walloon first need to gain autonomy. Then, Brusselites and Walloons will discuss the merger of various functions. The next stage: Negotiation between Brusselites and Walloons, on one side, and Flanders on the other, over what matters should be dealt with jointly. Any district close to Brussels and Walloon that wants to can join it by voting to do so: This would apply, among other things, to the case of the parishes on the outskirts, but they are not the only ones affected by this FDF-RW proposal, which is serious about breaking out from the "yoke."

The status of other French-speakers living in Flanders will be negotiated with Flanders, according to FDF-RW on a basis of reciprocity with the status of Flemings in Brussels. According to FDF-RW, autonomy for Brussels will also make it possible to reduce taxes, to recoup more of the revenue for Brussels and thereby to stimulate economic activity and create jobs.

In the socio-economic field, FDF-RW supports a special policy for Brussels. For example, with respect to job creation, it calls among other things for assistance to small and medium-sized enterprises, which are especially numerous in Brussels. Autonomy will also, according to the parties headed by Ms Spaak and Mr Mordant, make it easier to resolve the problems posed by urbanization and defense of the environment, just as it will encourage the development of an autonomous and responsible teaching system as well as better organization of sports and cultural activities.

According to the PCB [Belgian Communist Party], what the Brussels region needs to tackle its problems is its own resources and institutions, democratically responsible to its inhabitants. The Communist Party thus proposes direct election by universal suffrage of a regional council set up on the proportional representation system; lists of candidates would be linguistically homogenous, francophone and Dutch-speaking. The regional executive would be elected by the council and be responsible to it; within that executive, each linguistic wing of the council would be guaranteed a minimal representation, in accordance with a formula to be worked out, and members' powers would be equitable distributed.

As an organizational principle for running an autonomous community, the PCB proposes that in any situation which only concerns one of the communities, that community should exercise sole jurisdiction and decide the measures to be taken on behalf of the interests of its Brusselite members. An overall accord between the Brusselites of the two communities would also establish an equitable division of the current bi-community institutions between the two communities. Finally, with regard to

the boundaries of the Brussels region, the communist party believes that this problem, along with that of the rights of French-speakers on the outskirts, should be tackled by negotiations broadened to include representatives of the other two regions.

UDRT: "Provincialist"

The UDRT [Democratic Union for the Respect of Work] has consistently, through the votes of its president, Mr Hendrick, shown its opposition to the state reform of 1980: One of the first arguments advanced being that those most directly concerned, namely the citizens, were not consulted. For the UDRT, it is illusory to try to create a full-fledged region out of 19 parishes which have no economic head-room and, moreover, are virtually insolvent. According to Robert Hendrick, an intelligent state reform could be based simply on the provinces, which have an elected assembly, an executive and administration which has already proven effective; this, according to the UDRT president, would be a happy solution to the Brussels problem, assuming the Brabant provincial administration is completely bilingual.

As for the PSC [Christian Social Party], it seems determined to emphasize the socio-economic aspect of the problems. Thus, among the main priorities endorsed by the French-speaking Social Christians we see regional development, improvement of daily living conditions and economic renewal.

This renewal, according to the PSC, can come about through stimulating the economic function of the capital per se, for example by supporting small and medium-sized enterprises or by looking for broader economic horizons. The Social Christians are also concerned with Brussels' international role and development of its tourist sector.

Convergences?

On the subject of institutions, the PSC endorses making Brussels a full-fledged region. The boundaries of that region should be established by a law passed by a special majority which would provide guarantees of linguistic rights for the six parishes with optionality. In any case, the Social Christians favor a region which is equal under law and equivalent in institutional structure to Flanders and Walloon; a region which would also have the financial resources necessary to normal operations; and finally a region endowed with adequate institutions and capable of carrying out its functions, i.e., an elected assembly with its executive arm that would be endowed with a regional administration and para-regional bodies.

According to the PSC, the negotiations which must lead to the defining of Brussels' status cannot be successfully carried out unless French-speakers are all united; such convergence of views on the part of all the francophone parties also being necessary to guarantee them their rightful share in the state and in their combined control over their destiny within the French community. It should be noted that within the PSC certain trends to thought converge on the concept that [line apparently dropped] return to the provinces (whose number would be increased to 11) should serve as the base for a future Belgian state.

As we have seen, there is no lack of ideas, on the part of the various political parties, on how to get Brussels out of the "deep freeze." Consensus seems to be developing on some points, but not on a broad enough front; in other words, while

all the parties agree on the importance of an essential dialogue and indispensable negotiations, one may well ask whether that kind of initiative can go very far. Without taking the time for discussion...while recognizing that time is pressing.

Moreover, here we have given only the positions taken by francophone groups. These "suggestions" have still to be debated with those coming from their mandatory interlocutors, the Flemish parties. And it must be realized, then, that negotiating the fate of Brussels is really not going to be accomplished by means of amiable drawing-room chitchat, as confused voters may well imagine....

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CSO: 3100/72

CAGATAY ALLEGES 'SOME COUNTRIES' READY TO RECOGNIZE TFSC

Istanbul HALKIN SESI in Turkish 16 Oct 81 p 1

[Text] Prime Minister Mustafa Cagatay criticized the policy pursued by the Greek Cypriots toward the positive, sensible, and comprehensive proposals submitted on 5 August.

Cagatay announced that, if it is decided that it is possible for the Turkish Cypriot community to be able to protect its own existence through a decision to be independent, a decision of declaration of full independence can be made.

Cagatay, who asserted that, when making such a decision, the situation within our region and in the world will be studied and evaluated, noted that an important decision such as this one that deals with the fate of the Turkish Cypriot community will be submitted to the federated assembly for its approval.

Decision Can Change

Cagatay reported that, if it is seen to be appropriate to make a decision other than this one in the interests of the community, the federated assembly will review the current decision and alter it as necessary. Answering a reporter's question as to the economic benefits declaration of independence would bring to the Turkish Cypriot community, Cagatay said:

Foreign Aid

"The amount of aid given the Greek Cypriots today cannot be depreciated. Foreign aid, which is provided to benefit all of Cyprus, but which is channeled entirely through the Greek Cypriots, exceeds \$30 million. A state that is recognized in the international sphere has the right to direct its own economy. A state that is recognized in the international sphere can benefit from these opportunities, can find the opportunity to overcome, to a great extent, economic difficulties. At this time, we are deprived of this."

State Will Be Recognized

In response to a question, Prime Minister Cagatay said that there are countries ready to recognize an independent Turkish Cypriot state and that information he has received and analyses that have been made indicate that there are other nations that will recognize an independent Turkish Cypriot state.

Embargoes, Usurpation

Prime Minister Cagatay went on:

"The Greek Cypriot side is giving, in advance, evidence that it will not come to an agreement, that it will pursue its own political goals with a policy of embargoes and usurpation. The Turkish Cypriot community cannot be expected to resign itself endlessly to the difficult conditions resulting from a failure to reach a solution to the Cyprus problem, to repression to the point of certain collapse, and to the effects of the unreliable Greek Cypriots' destructive policy. We see that the Greek Cypriots, unable to succeed through guns, are striving to do so through social and economic pressure on Turkish Cypriots and through the application of political blockades. It is the duty of the Turkish Cypriot community not to fall into the Greek Cypriots' trap. This trap seeks to destroy us as a community."

Central Bank

Prime Minister Cagatay reported that, for political reasons, a central bank that could allow the Turkish Cypriot community to manage its own economy and that would give it the opportunity to issue currency has not been established. He said that the use of the Turkish lira as the monetary unit creates several specific difficulties that affect our daily lives and economy.

Council, Consultation

A reporter pointed out that the Greek Cypriots formed a national council in order to pursue their own causes and asked whether or not the Turkish Cypriot leaders have also considered establishing such a council. Prime Minister Cagatay responded by saying that he will hold a consultation on this subject with the opposition parties.

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MITTERRAND SUMMIT ADDRESS

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[Speech by French President Francois Mitterrand given 3 November to open French-African summit conference in Paris]

[Text] At the end of your last annual meeting you agreed to meet next in Zaire. If France is your host today, it is because I personally wanted to receive you all in Paris during my first months in office, as a mark of my own and the French people's interest in and friendship for the peoples of your continent.

We owe this change to the extreme courtest of President Mobutu, who kindly agreed that our meeting be organized in my country, giving me cause to thank him for a gesture that merely postpones our visit to him.

So I should like to extend a very cordial welcome to you all, heads of state, heads of delegation, delegates, observers and guests, who have accepted to join in this conference. The fact that a larger number of countries are present this year opens up new prospects, by making for a richer exchange of ideas and stronger mutual understanding between our peoples.

As far as I am concerned, although it is the first time I am participating in your meeting, I feel I am no stranger among you.

I have long been keenly interested in your continent, in fact, I view it with great humility, for its peoples, traditions, geography natural resources, problems and hopes are so varied that the most informed of observers must make a constant effort of adjustment and can never be sure of grasping everything and understanding completely.

Having often visited your countries, having shared in the past in the responsibilities of French policy in Africa and, at difficult moments, contributed to the emancipation of the peoples of former French Africa, in short, having identified part of my life with that of your continent, I have learned that only the Africans themselves really know and understand Africa.

I am all the more conscious of this from having had the advantage, in the recent but also the distant past, of meeting quite a few of you and more especially those who were my colleagues in various assemblies. Your Doyen, friendly President Felix Houphouet-Boigny to whom I should like to pay friendly tribute here, is well aware of the community of ideas, the common battles, the solidarity and friendship these memories call to mind.

Today Africa has come of age. Its countries, or almost all of them, have joined the concert of nations and their voices are heard a little more clearly every day in the international institutions. Africa has realized the weight it carries and its importance. It knows that it too has a message to convey to the world, not, of course, to the effect of eluding its problems or those of its peoples: it simply asks the others to recognize and understand these, and to help solve them in the framework of major negotiations. In so doing, as I see it, Africa is only demanding more justice, respect and freedom for its states as for its peoples.

France has changed her policy in many respects since 10 May. You are not unaware of it, experienced as you are in world politics and particularly French politics. I know how interested you are in the positions of our new political leaders and in the man to whom the French have entrusted the conduct of their affairs for seven years.

I have not yet been able, since taking office, to meet in person all those who are here. And I know that you are naturally asking yourselves questions about our foreign policy, not only because in some cases, as I have said, there are long-standing ties between us, but also because our destinies are still closely inter-linked, if only through the bilateral relations France maintains with many African countries, either directly or via the European community.

So I very much hope that you will leave here in a few days time with a better knowledge and understanding of our international objectives, the spirit in which they are formulated and the means whereby they are pursued.

We would confine ourselves to debating our specific problems at this conference, but I think that, considering the authority of the leaders gathered here and the importance of our responsibilities, we have another duty: to discuss together the problems of the world, for you and we form a large part of this world and must have our say in its affairs, not simply think of ourselves as the leaders of our own patches of the planet

I considered, at all events, that I owed it to persons of your rank and distinction to speak of the general problems, without confining ourselves strictly to those one might call African or French problems.

But I should like to insist above all on two points which are really two guidelines: Firstly, France thinks that Africa will only find its proper place in a world that respects the independence of nations, rejects interference and has means of warding off conflicts and defending peace. Secondly, Africa has a part to play in the efforts to rebalance the world economy between rich and poor.

I shall tell you how France wants to set the example by reverting to her true calling, the one that leads her, as I have just told you, to act through a universal message.

Naturally, this policy France means to conduct or wishes to promote can be pursued to the full only in a world at peace. In this connection, given your responsibilities, the state of east-west relations cannot be a matter of indifference to you, even though we usually conduct our relations in the north-south framework.

Of course you wish that the relations between the two superpowers would never impinge on the problems that are primarily yours. You wish the controversies on east-west realtions would not obscure development questions, and France does not accept this any more than you do. But we have to take account of world realities.

When France had to deal with the problem as we did in Cancun--I shall come back to that in a moment--or as we did in a joint declaration with Mexico on El Salvador, our meaning was indeed that it was not up to the east and the west to settle everything, to decide everything and organize the world around that one problem. Important though I know it is, of course.

On this matter, France has taken up clear positions. Allow me to recall them in simple terms: If the balance of force in the world were upset, peace would be endangered.

For several years each of the superpowers has been seeking to increase its military capabilities, thinking that this was the way of preserving its security. There can be but one step from seeking security to seeking domination. That step must not be taken, this is why I have not hesitated to alert French and European public opinion whenever I have perceived a threatening imbalance. It is why France, a full and wholly sovereign member of the Atlantic Alliance--a defensive alliance in a strictly defined geographical area--but not a member of the NATO integrated military organization, approves of the decisions designed to achieve equality of military and strategic capabilities, but while dreading the arms race once all the cards are on the table, the necessary negotiation will have to get under way.

France means to remain freely in control of her own capabilities which guarantee the independence of her decisions. She is in favor of all forms of negotiation between the superpowers, as well as of those that may take place in the United Nations organization or its specialized institutions, providing that the discussions start from clear premises, which is the prime condition for a frand and, hopefully, fruitful conversation.

Your objective is to prevent Africa from becoming the arena for external rivalries and contradictions of interest.

This is also France's viewpoint and she intends, needless to say, to respect in all circumstances the sovereignty of states and the will of peoples. In particular, she is willing, in this spirit and when such action is in accordance with OAU decisions, to lend assistance and provide the means of guaranteeing your sovereignty.

It is on these terms that the principle of noninterference, so often evoked and so often flouted, will recover its true significance.

Africa and France have a long common history. It was not forged without difficulties or confrontations. Nonetheless, I am convinced that, as the years went by, our peoples learned to respect and like each other. And we want to preserve and even expand this friendship in order to give it its true proportions.

Allow me, having spoken of the problems of east-west relations, to examine also a few of the conflicts currently disturbing Africa, without forgetting the many local conflicts or rivalries of which we must always beware.

One of the most disquieting conflicts currently disturbing Africa concerns the independence of Namibia. After consulting her traditional friends, France decided, at their request, to remain in the group of five and discharge within it the tasks set by the United Nations organization, whose resolution 435 we unreservedly approved.

We are at present developing our efforts. We consider that our presence in that group must not serve as an alibi for interminable negotiations and that a precise timetable must be laid down. For instance, we think that Namibia's independence should be achieved by 1982.

You are all familiar with the second cause for concern: the current situation in Chad. France's policy consists in supporting President Arap Moi, the OAU chairman, in his efforts to help settle this problem. As I said again in Cancun, the reasonable action is to provide the inter-African force that will establish the conditions enabling the legitimate government and President Goukouni Oueddei--whose presence among us I welcome--to conduct his country's affairs and reorganize the Chadian National Army. France, with no preconditions whatsoever, has granted her aid for the reconstruction of Chad, which like all of us, wants unity and independence.

In Western Sahara, the third difficult point, we welcomed the king of Morocco's initiative and the wisdom of the participants in the two Nairobi conferences that found ways of achieving a possible settlement, so necessary for all concerned, based on the right of the populations involved to self-determination. Here again, France supports the OAU's policy and will back the current efforts in the hope that they can produce results as quickly as possible.

Yes, gentlemen, as you can see, I am broaching in the context of general policy the problems we regard as difficult on which we would probably ourselves need to compare our points of view, but this is indeed what I want to do. I mean to talk to you as friends, as brothers, as the men in charge of your countries, each in the same capacity, and therefore to hold our discussions as between leaders exercising major responsibilities in world affairs.

How could I fail to mention the near east, liable at any moment to blaze up on Africa's doorstep? I shall say just a word about our policy: Israel's existence having been recognized in international law, the means this implies, namely secure and recognized frontiers, must be ensured. Similarly, the Palestinian people will have to have a homeland on which to build their chosen state structures.

Those are the main guidelines of France's external policy in that part of the world.

As you can observe, France is not inward-looking. She seeks to contribute her own answer--that of solidarity--to the economic and monetary problems that determine the future of our peoples. But who can uphold his rights without mastery of his economic development?

Cooperation for development is bound up with the most crucial question of our time. I am convinced of this. It is the fundamental dimension of our policy. We reject the selfish and short-sighted each man for himself and the market for all attitude, north-south relations must be better balanced and governed more decisively by the principle of solidarity.

Between north and south, to let market forces determine everything is to let those who are strong shift the burden of the crisis onto those who are weak. It is to give to international speculators, who regulate commodity rates on the basis of their anticipations or interests, solely their selfish interests, power of economic life and death over millions of cocoa, coffee, sugar, cotton, timber, jute and other producers. It is to subject the development efforts of young nations to the hazards of blind forces.

To rebalance north-south relations is in the first place to accept to discuss them frankly and globally between equals. In Cancun, France pleaded for the resumption of global negotiations in the United Nations, not within the coterie or chapel of a small number of co-opted countries. The problems of food self-sufficiency, energy security, stabilization of commodity rates and industrial expansion must be debated as a matter of urgency.

France will not await the results of global negotiations before taking action. I announced at the United Nations conference on the least advanced countries that my country's public development aid to the poorest nations would be increased to 0.15 percent of its gross domestic product by 1985. As for overall public development aid, it will be doubled, from 0.35 percent of the gross national product, by 1988.

I don't think that there is any contradiction between wanting simultaneously to rescue France--herself in the tempest of the world economic crisis--and her friends the African nations from stagnation, in wanting to combat jointly the most shocking inequalities in France and in relations between peoples, in north-south relations. I would even say that all this forms a whole, perhaps even one and the same theory, one and the same concept of the world and humanity. Yes, in a world where resources are under-used, France and Africa can help each other to achieve full employment of their capacities.

But while undertaking to increase considerably her public development aid, France also wants to alter its logic. The tragedy of under-development will not be solved by introducing cultures or export industries geared to unsuitable technologies and exclusively angled towards the developed countries markets. Rather than this trading capitalism, we should be aiming for an agricultural and industrial development that made the most of human and natural resources and gave priority to satisfying the vital needs of the population.

The food sector is of prime importance. France is ready, and these words will be heard beyond this room, to cooperate with all those who might want her help in developing food crops, training farmers or extending rural infrastructures, but she well knows what are the limits of her means. In any case, without wanting for these structural reforms to get into full swing, she will step up her food aid, where necessary on a multi-annual basis, and she will appeal to the others for a bigger European effort.

Regarding energy, balances of payments and development capacities are encumbered by heavy oil bills. The Nairobi conference showed that all the countries had potential energy resources, sometimes considerable ones, from hydro-electricity, wood--by using biomass--and solar energy, but that a great deal of capital was needed to exploit this potential. In Cancun, France usefully promoted, I hope, a proposed plan to finance third world energy investments through the world bank. In any case, the African countries that wish to develop a strategy for energy self-sufficiency can rely on our support.

As for stabilization of commodity rates, it is a top priority, as I said earlier. France is a party to the lone agreements, that excellent system operating between the European community countries and sixty-one African, Caribbean and Pacific states. In this framework, France is vigorously supporting the Stabex program to stabilize export revenue. The object of this program is to palliate the damage done by staggering and completely erratic fluctuations in rates. Further up the line, France approves of the United Nations integrated program, and I announced in Cancun that we--France--would sign the agreement of June 1980 which will bring into existence the common fund, designed to stabilize the rates of eighteen basic products.

Agriculture, energy, raw materials: These are three sectors where concrete initiatives must replace repetitive speeches.

We are meeting this year in even greater numbers than ever before: Our circle has widened, a fact I think we all welcome. I would like you to know how pleased I am to see you, in some cases to meet you again, to get to know you better and to have a most serious discussion about our problems.

I wonder whether we shouldn't give our annual meeting a title more in keeping with the new frame of mind in which it is held, a more apt definition. It is not fitting to join together a continent and a country in a title, even though that country is mine and I hope, of course, that it plays an outstanding part in our discussions generally. I suggest that we think this over together.

While I attach particular importance to France's voice being more clearly heard on the international scene, I also know that you expect even more of us.

I shall summarize: Respect for our differences must be coupled with the closest and most active solidarity between us. Each of us is free as to his attitudes and objectives. Each must be able to conduct his own affairs himself. But it is a good thing, now and again, to join forces on what unites us. We may be better heard elsewhere. At all events, you can be sure that I, for my part, shall forcefully and resolutely see to it that we are.

I am convinced that our conference will give our efforts new momentum, and I repeat that, here in Paris, in France, in this room, the French people are glad to welcome you.

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JOSPIN: PS-GOVERNMENT RELATIONS, ROCARDIANS, PCF, POLICIES

Paris LE MATIN in French 9 Oct 81 pp 4-5

[Interview with Lionel Jospin by Didier Buffin & Alexis Liebaert: "The State Does Not Have the Right to Make Us Renounce Our Principles;" date and place not given]

[Text] The energy debate in the National Assembly, along with the debate over immigrants, has shown that relations between the PS and the government were not without their problems. In an interview in LE MATIN, Lionel Jospin, first secretary of the PS, discusses this problem. He also talks about the Rocardians and their fate in the party, his concept of relations with the PCF and the activities of the Right.

[Question] Why did the leadership of the PS decide on a Jospin-Mauroy alliance at the last meeting of the executive committee?

[Answer] There was no Jospin-Mauroy alliance. All the same, there is no law against the first secretary of the PS having good relations with the head of a government which contains quite a few socialists. Especially if it is a spontaneous move on both sides. But in terms of preparing for the [party] congress, there is no Jospin-Mauroy alliance. We have moved to enlarge the majority that came out of the Congress of Metz.

[Question] Under those conditions, why push away the Rocardians?

[Answer] The comrades to whom you allude have botched things up pretty badly. They wanted so badly to be invisible that they have only made themselves more conspicuous. They were so insistent about the fact that they were in agreement with us--even though there were a number of points on which we differed--that one wondered why. Did they think that these differences would be used as a pretext to keep them out of the leadership of the party? If that is the case, they were wrong. It would have been much simpler, to my mind, for everyone to state his positions straightforwardly, and then come to a consensus. It would seem that there is no longer any reason for discord. Yet I hear rumors of contention! So, what can you say...?

[Question] Does it seem to you that the Rocardians are being sincere in their support or only taking a tactical position?

[Answer] At this point in time, I will say that if the congress goes well, their support will have been sincere. I want to believe in it.

[Question] Did Francois Mitterrand personally advise you to come to the agreement with Pierre Mauroy?

[Answer] Honestly, that is an idea we were capable of coming up with on our own. Francois Mitterrand is careful not to intervene like that. On the other hand, he is very anxious to see the PS play its role vigorously. He wants to avoid being isolated in ivory towers. He certainly remains politically and emotionally attached to the men and women who were close to him for 10 years in the PS. I think that he thought an enlargement of the party majority was desirable. We have talked about these things together. But he does not dictate anything.

[Question] Does this mean that, if Michel Rocard had been named prime minister, there would automatically have been a Jospin-Rocard synthesis?

[Answer] There is no automaticity in either case. Remember that at the meeting of the executive committee on 12 September I called on each side to present its drafts. We had discussions with faction B and faction E, and came to a compromise. Discussions with faction C did not get off the ground, because it no longer offered positions of its own. On the other hand, they continued to exist as an autonomous and cohesive group. I think this is what has complicated things. But who says not everyone will endorse the final synthesis, when it seems there is no political discord?

[Question] Shouldn't the party by-laws be changed to reflect this new situation in which the factions have officially disappeared?

[Answer] The factions have not yet disappeared, I know. Despite the existence of a single draft, they will continue in existence right up to the congress. The problem is whether, after that, we will be able to begin a process leading toward real merger. That will depend on political developments and on decisions made by the various sides. The by-laws--the party statutes--should be the expression of the realities and not a substitute for them. That is why, at this point, I do not think it opportune to go lawmaking.

[Question] To finish on this subject, is it not a fact that one of the ultimate objectives of the congress is to significantly diminish the following of the Rocardians?

[Answer] Not at all. The only thing I wanted, along with other comrades who alongside Francois Mitterrand held major responsibilities in the party, was for us to be able to wield a majority on the executive committee. This is a guarantee of stability. We wanted to get it by the votes of the militants in favor of the direction we endorsed. We were not given the option of contradictory votes. That is fine. But neither could we be asked to give up everything. We continued to press our demand. If people thought we were asking too much, the militants should decide. Now it is a question of reaching a consensus, in the federations and at the national level, without alienating anyone important. With the exception of a few elements, that should not be a problem.

[Question] As between the PS state and the "regimented" party, which way will the Socialist Party pursue?

[Answer] To hear you talk, we have only the choice between two evils. We do not want to colonize the state, and the PS, by the very way it operates, cannot be a "regimented" party. If it became that kind of party, it would die. We are already beginning to understand, with the debates on immigrants, energy, and tax officials...that what is under way is a complex dialogue, most often harmonious, but sometimes more difficult, between a living party, accustomed to debating, and a government which is necessarily concerned with efficiency and dispatch. Both have in common the desire to implement the proposals of Francois Mitterrand which were ratified by the presidential elections.

We must be suspicious of simplistic formulations and focus our attention on this living process which will give birth to a new way of using the institutions of the Fifth Republic.

[Question] But your freedom of maneuver is not limited by the weight of presidential authority and the use that Francois Mitterrand can make of "the national interest?"

[Answer] In talking about Francois Mitterrand you refer to the national interest. But why do you not speak of the interests of socialism? True, Francois Mitterrand is the embodiment of the state, because he is the head of state, but it is also true that the socialist victories in May and June 1981 were made possible by the popular wave of support that rallied to his side. Look at the decisions he has made since his election! It seems to me that he has been no less loyal to the interests of socialism than to the interests of the nation.

Practical realities in international affairs, for example, might in fact lead him to assess the advisability of certain actions differently from the party. I remember that when we protested against the arrests in Morocco, Francois Mitterrand told me, half-jokingly and half-seriously, and with full understanding of our position: "All the same, I am not going to let you get us in trouble with all the heads of state." I infer from this that the party will have to take on an international teaching mission, to convince various foreign heads of state that we are not under a one-party system and the party is not the state. The state does not have the right to make us renounce our principles; the party has a responsibility not to ignore certain realities.

[Question] You say the state does not have the right. But does it not have the power?

[Answer] I do not believe the men running it desire to do so.

[Question] How do you view the critical factor of communist support for and participation in the government?

[Answer] We are governing together with the PCF. But that does not mean that our differences with it have disappeared, particularly with respect to the speed of change and the assessment of the economic realities.

I have several problems with the budget. But with respect to the options embodied in it (economic growth, reduction of inequalities) and the means for financing it (taxing wealth and high incomes, but also an attempt at wider solidarity), the budget is based on the concepts espoused by the PS during the electoral campaign and endorsed by the people. "Make the rich pay:" this was Georges Marchais's rhetoric. The voters have decided. It is quite natural for differences to continue to exist, but we are bound by a contract. And that imposes obligations on all who signed it.

[Question] Does that mean you find it natural that the PCF should resort to criticism?

[Answer] Yes. Why should it abstain? So long as it does not contest the basic options and does not affect governmental solidarity.

It goes without saying that the communists cannot be the only ones to exercise the right to criticize. The very fact that they criticize, even in a limited way, establishes our own right to criticize them.

[Question] Especially when they exclude Henri Fiszbin and 29 of his friends?

[Answer] As first secretary of the PS, I want to continue to be circumspect about that affair, which in the first instance is an internal issue among the communists themselves. It shows that the evolution of the PCF is not yet complete. Its form of organization, its concept of internal democracy, the way it positions itself within French society--all these questions remain unresolved in that party, it would seem. Regarding Henri Fiszbin, my colleague on the Council of Paris, I will only say one thing: I have not forgotten that, during the period of disunity [of the Left], he was fighting for unity.

[Question] Do you not share the fear of a number of socialists that the PCF leadership may plan to void its contract with the government in 1983, when the municipal elections come around?

[Answer] I am not Nostradamus. I do not think we have absolute certainty before that date, nor do I think we are in absolute jeopardy after it. In choosing to participate in the government, the PCF leadership made a reasonable decision. I do not see at this point what might lead it to modify its decision. It is up to us Socialists to conduct ourselves in such a way that its decision remains the most reasonable one.

[Question] You do not believe the differences of views held by moderates and maximalists within the government could lead the government toward a sort of "centrism" that would accentuate the divergences between the parties?

[Answer] There again you are defining our political orientation in terms of its extremes: a dangerous maximalism and a moderation which is always a little bit shameful. And even if we escape those two dangers, according to you we would fall into a centrism which is apparently equally in vain. And, for that matter, what makes you think there are moderates and maximalists within the government, other than corridor gossip?

Our economic and social course, our concept of transformation, have always been middle-of-the-road: institutional reform, the real and gradual change of society by stages, taking into account economic realities and working for the long-term.

[Question] So you view as a plus the fact that ministers with very different priorities are working together?

[Answer] Yes. But I am not sure that the same priorities come out on every issue. It has always angered me that people assume we in the PS are obliged to take certain tactical positions or that people pigeonhole us in advance in some particular category.

If one wants to make an intelligent, well-adapted decision about a complex problem, it seems to me that it is important for a decision-making body to line up the possibilities, propose various solutions, impartially examine their advantages and drawbacks, before making a choice. Must I draw a picture? Well, on the question of the nationalizations, some said: we are going too far, and it is going to create a problem of confidence, while others said: we are not going far enough, and it is going to create problems of control. This is good. Afterward, one makes the choice.

[Question] The inevitable compromises you have to make with economic reality do not weaken your ultimate commitment to break with the capitalist system?

[Answer] Let us not play theologians! The nationalizations themselves, for example, are a rupture, but also a compromise. Every rupture is a compromise. One might even say that, over a longer term, that break will result from a succession of compromises.

[Question] At what pace?

[Answer] The rate of change must be economically sustainable and socially accepted. It is the aim of our politics to achieve that.

[Question] Do you fear that the Right, now that it has been beaten at the political level, will try to get back on the economic level, for instance by means of support from employers?

[Answer] Some Rightist leaders have identified themselves so much with the power they held that they are unwilling to go along with the change that has come about. But the Right is also divided, it has to deal with leadership problems, it is in serious trouble, to say the least. Look at Jacques Chirac's press conference. Not a hint of a program!

France does have privileged social classes that have great power in everyday life. If they are interested in political matters, let them make use of the Rightist parties. But to venture forth openly with economic weapons on the terrain of politics would run the risk of leaving themselves vulnerable.

The employers are always talking about their economic function. They have often spoken of industry as a production site the neutrality of which must be respected. It would not be reasonable to expect that they should be the first to forget that today.

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PS DEPUTIES' ROLE, GOVERNMENT RELATIONS ANALYZED

Paris LE MATIN in French 9 Oct 81 p 4

[Article: "Party-Government: A Balance Difficult to Find"]

[Text] How does a Socialist Party [PS] with an absolute majority in the National Assembly and some of its leaders holding the key positions in the state go about designing and implementing the path to follow? Neither a state party nor an opposition party, the PS would like to be an idea party listening to the voice of France. In that connection, it might be of some interest to take a look at PS-government relations since the victory of the Left.

On 21 June, the night of the second round of the legislative elections, the PS and its 266 deputies found themselves thrust into a position for which they had been preparing for 1 1/2 years without ever really anticipating it would become a reality. Party documents of all kinds and statements of position by party leaders, from the Congress of Epinay in 1971 right up to the eve of the presidential election, had largely concerned themselves with the conditions necessary for coming to power, as well as the substance and timing of the reforms to be undertaken once the Right was beaten. On the other hand, they were scarcely ever concerned with the question of what kind of relations would exist between a PS which had an absolute majority in the National Assembly, a Socialist in the presidency, and a Socialist prime minister.

The issue of party-government relations emerged as soon as the first Mauroy government was being put together. The choosing of ministers and cabinet members, many of whom came from the PS leadership, certainly impoverished the party, a number of the people close to Lionel Jospin--such as Jean Poperen, Paul Quiles and Michel Charzat--being given responsibilities. Along with this, it quickly became apparent at the fall congress at Valence--leaving aside the opposition between Mitterrandists and Rocardians--that the issues would center on the definition of the relationship between the party and the government. Two articles, one by Paul Quiles (a Mitterrandist) in COMBAT SOCIALISTE, the other by Michel Charzat (CERES [Center for Socialist Studies, Research and Education]) in LE MATIN, contain quite differing views on this point. The first secretary, Lionel Jospin, for his part maintained his intention of not making the PS a "state party," but rather a force in the domain of ideas. Subsequent events may have cast doubt on that claim. Pierre Joxe and Louis Mermaz, two of the men closest to the president, and moreover men who hardly have the reputation of being unforceful, took positions, respectively, as president of the Socialist Group in the Assembly and as president of the National Assembly.

Did the Elysee fear that a hypertrophied group, consisting for the most part of inexperienced deputies, would drift into incoherence or spontaneous initiatives? Indeed, the government had to move quickly to come to terms with the deputies, who were determined not to abandon their legitimacy as elected officials in their own right. The make-up of the Assembly's committees was the subject of delicate negotiations, not only among the three component parts of the Left, but also among the four factions within the PS. The budget report, in July, gave the deputies a chance to play their role as proponents. We recall, among other things, the initiative of taxing gifts and allotments at the instigation of Christian Pierret, secretary of the finance committee. Similarly, it would be the Socialist deputies (the Suchod amendment), supported by the Communists, who would extend the statutory amnesty to employer sanctions.

The basic question, however, remains: what freedom of action does the party really have in relation to the government? Given the balance of power, does it not, in the last analysis, have to yield? Two issues, immigrants and energy, shed light on the real degree of freedom of action the PS has. In the case of the former, the party's executive bureau, judging the Defferre proposal on foreign workers to be too restrictive, delegated Mauroy supporter Bernard Derozier to plead the party's case. The subsequent internal debate was finally to be resolved by a meeting of the executive bureau, Gaston Defferre accepted several modifications, but on the whole his ideas prevailed. The executive bureau endorsed it by unanimous vote, but for the first time we saw a test of strength between the party and the government.

The second issue was energy. It seemed certain on the eve of the Socialist Group's meeting that a majority supported the recommendations of the Quiles report (only four nuclear allocations instead of six, and suspension of the expansion of the La Hague reprocessing plant). However, an internal vote showed otherwise (106 votes against, 43 in favor and 18 abstentions). Voting in the plenary session, however, the Socialist deputies adhered strictly to party discipline. What happened? After hearing Pierre Mauroy and Edmond Herve, Jean-Pierre Chevenement. Pierre Dreyfus, Laurent Fabius and Jacques Delors...the Socialist legislators lined up in support of the rationale propounded by the government.

Whether out of discipline or reasoning, the Socialist Group acted completely in the spirit of the institutions of a Fifth Republic established on the ruins of the multi-party system; and the last word still belongs to the executive branch, in dealing its parliamentary majority.

"Our role should be to explain government policy, but we should also bring news back, to let the government know how the French people are reacting to a governmental decision," explained Lionel Jospin last month at the PS "parliament days." If the Socialists are in fact playing fully by the rules of majority solidarity, it still cannot be denied that their influence as a pressure group cannot be ignored. We know that it is now obligatory for ministers to go explain their policy not only to the parliamentary group but also to the executive bureau. We also know that it was as a result of the personal intervention of Lionel Jospin (on behalf of the party leadership) with Francois Mitterrand that the unemployment tax for government employees was averted.

ALGERIA'S BRAHIMI COMMENTS ON PARIS TALKS

PM050957 Paris LE MONDE in French 21 Oct 81 p 4

[Paul Balta report: "Brahimi and Rocard Agree on 'Global' Approach to Cooperation"]

[Text] Minister of Planning Abdelhamid Brahimi, the first Algerian leader to make an official visit to France since Mitterrand's election and even since the trip in January 1980 by Mr Benyahia, chief of Algerian diplomacy, was due to continue the talks he began Sunday with his opposite number Michel Rocard on Tuesday 20 October. He was also due to meet Messrs Delors (economy) and Dreyfus (industry) during the day and then have a last conversation with Pierre Mauroy Wednesday morning before returning to Algiers.

We are exploring what is possible and approaching the problems in terms of our planned objectives for developing bilateral cooperation was the gist of what the two ministers told us. As Algerian leaders have always done, Brahimi proposed the "globalization of subjects" rather than a sector by sector examination. He welcomes the fact that, for the first time, he has found understanding, which he sees as a "new attitude."

"I think it is virtually the only way to succeed," Rocard told us in this connection, but he did not conceal the fact that the question of gas, entrusted to the two "wise men"--Jean-Marcel Jeanneney and Hadj Yalla--remains the most difficult to resolve. For their part the Algerians note that Gaz de France must not make the same "error" as in the early seventies, when it deemed Algeria's demands too high, so that Algeria ended up dealing with the American company El Paso at a higher price. Michel Jobert, then Elysee secretary general, deplored the fact that the French experts had not been more far-sighted.

The Algerians also note that the French quote the price of Dutch gas as a reference, but forget to say that this is within the framework of the EEC and is accompanied, for this reason, by certain compensations. On the other hand, they stress, Norwegian gas is 30 percent dearer, Mexican gas sold to the United States is just as dear as Algerian gas and Abu Dhabi gas supplied to Japan is indexed to oil prices.

The Basis Of "Exemplary Relations"

"We must not just look at amounts spent but take account of several factors and their repercussions on immigration, unemployment: culture and so forth," Brahimi told us. Thus Algeria wants to help in building 100,000 or even 200,000 homes per

year, and France could take part in this on a large scale. "Diverse cooperation in a new style is only possible if the short-term transient view is abandoned," Brahimi stressed.

"If a certain number of existing problems are resolved rapidly, globalization could ensure the success of Mitterrand's visit on 30 November and 1 December by giving Franco-Algerian relations a new model character on a solid and durable short-term, medium-term and long-term basis," Brahimi continued. According to him, such relations "will not fail to influence the north-south dialogue in a positive direction."

"Apart from the traditional spheres, we are exploring all the spheres of cooperation where there is room for innovation," the Algerian minister concluded, while Rocard expresses the hope that the ground will be sufficiently prepared between now and the end of November to allow the two heads of state to define the new directions for bilateral cooperation. Mitterrand's visit, moreover, has been under serious preparation for several weeks by French ministers who have been to Algiers and by experts from the two countries meeting in the two capitals.

CSO: 3100/107

PCF PAPER HITS FRENCH ROLE IN SINAI FORCE

PM061025 Paris L'HUMANITE in French 2 Nov 81 p 1

[Yves Moreau editorial: "Four Europeans in Sinai"]

[Text] The Paris, London and the Hague Governments will today announce a decision similar to the one which Rome announced on Friday, namely the dispatch of military contingents to Sinai to monitor the implementation of the Camp David agreements which provide for Israeli withdrawal from the last third of this Egyptian desert next April.

These agreements, reached between the United States, Israel and Egypt, included the deployment of UN forces and observers in Sinai. But the United Nations had not even been consulted on this subject, and such an initiative was certainly not likely to receive its agreement, since too many of its members clearly did not want to be associated with measures stemming from agreements they condemn.

Thus it was initially decided that Israel and Egypt would appeal to states willing to send troops to Sinai. "Volunteers" did not pour in, since aside from the United States only the Fiji Islands responded to this invitation.

So, anxious to avoid such a political failure, Washington made new approaches to its allies, notably when Mr al-Sadat died. It was this which prompted the decision, taken not by the ten common market governments but by only four of them, those of Italy, France, Britain and the Netherlands--the six others merely "taking note" of it, the Greek Government's reservations in particular having prevented agreement on a more approving statement.

In the near east the pledge given by the four West European Governments is sparking off not only regrets but strong criticism. Arab League Secretary General Chedli Klibi deplored the "moral backing" thus given to the Camp David agreements which "have demonstrated their inability to solve the central near east problem, namely the Palestinian problem." Similar reactions have been recorded in Lebanon, Iraq, Libya and Iran.

An official Syrian communique, referring implicitly to the declaration adopted by the EEC in Venice, sees the four's decision as a "dangerous turning point." Syria stresses the "serious repercussions which this line will have on Arab-European relations and on Europe's role in seeking a just and all-embracing settlement in the near east."

The question will certainly be put to the Arab summit in Fez at the end of the month.

What can France stand to gain from jeopardizing the credit it enjoys in the Arab world in this way? It is even less understandable since the near east is not part of the North Atlantic Treaty's Zone of Application, and consequently it is not possible in this case to invoke obligations stemming from our alliances.

Moreover Mr Reagan's policy toward the near east conflicts too much with the right of peoples and is too dangerous for international security to deserve support.

As in the past, and possibly even more than before, this policy consists primarily in supporting the Israeli Government, however intransigent it may be. For instance, President Reagan's last message to Begin includes an explicit promise to ensure that Israel maintains its military and technological advantage. This in no way prevented Mr Begin from replying by protesting against some remarks by Secretary of State Alexander Haig which he considered too favorable to Prince Fahd's Saudi plan. According to the Israeli prime minister that plan is merely "a medley of extremist decisions."

As can be seen, Mr Begin's hostility to any prospect of an overall settlement contrasts with Yasir 'Arafat's attitude. Indeed, the PLO chairman has twice deliberately pointed to "positive aspects" in the Fahd plan.

The reason that Mr Haig is stating in Washington that he wants to "encourage some points in the Fahd plan" is that the United States particularly wants to break the relative isolation in which it has stood in the near east since the Camp David agreements. This is also the political significance of the supply of AWACS radar aircraft to Saudi Arabia and, more generally, of all the American efforts to give that country the position of leader of the so-called moderate Arab states.

President al-Sadat's death probably helped speed up the reexamination of U.S. policy in the near east. The Camp David framework on its own now strikes Washington as too narrow.

It is doubtful, to say the least, that this is a good time for France to become involved in the Camp David process.

"Since Camp David is now having difficulty in extending its diplomatic sphere, other means must be sought," Francois Mitterrand said on 24 September.

It is to such a search that France ought to devote its efforts. It should not strive, as Washington is doing, to find new openings for a so-called pax Americana, but a real peace in keeping with the rights of all peoples and consequently beneficial to France's friendships in the near east.

CSO: 3100/106

COORDINATION, FINANCE, OTHER MINISTERS ASSUME DUTIES

Athens I KATHIMERINI in Greek 22 Oct 81 p 7

[Text] The new Ministers of Coordination and Finance Ap. Lazaris and M. Drettakis respectively and Alternate Coordination Minister G. Pattakis arrived yesterday noon at their respective ministries and assumed their duties.

In his first contact with reporters Professor Ap. Lazaris said that "our first task will be to get ourselves informed, to find out how things stand. Then we shall have regular and systematic contacts because the ideological credo of the movement [PASOK] is to enlighten the people on all problems." He added:

"I'll be telling you not only about our successes but about our failures as well and especially about the problems the people must be aware of. We are fully conscious of the great responsibilities and problems we are shouldering. At the same time, however, we are optimistic."

Coordination Minister Ap. Lazaris made it clear that "the updating of the appropriate ministers by the services themselves does not mean that the government has no plans. It simply means that much will depend on the true state of the economy." He then said that he will immediately start contacting the productive classes.

On the other hand, Finance Minister Manolis Drettakis announced that he will keep the people constantly informed on the true state of affairs and underlined that for the moment the important thing is to find out what the real situation is since the outgoing minister failed to update him. Outgoing Finance Minister Milt. Evert turned over to Drettakis the administration of the ministry, while former Coordination Ministry Secretary General Str. Stratigis handed over [to Lazaris] the respective ministry. Tsovolas and Dimosthenopoulos also assumed their duties as deputy finance ministers.

Minister of Agriculture

"The new policy does not start off in a void. It will develop on what exists, on what you have built," said Agriculture Minister K. Simitis to the ministry's employees on assuming his duties yesterday noon in the presence of Deputy Agriculture Ministers K. Alexiadis and G. Moraitis and the ministry's Secretary General Stavrou. He added that "PASOK's program is ready but it represents a general guideline which must be reexamined every moment and put into practice. To be implemented, in other words, it needs your support."

He emphasized particularly that the criteria of the new leadership of the Ministry of Agriculture will not be narrow nor partisan. He pointed out that they will be meritorious and that "what is necessary in order to proceed properly is the free flow of ideas, the democratic dialogue, the will to support our view."

Earlier, outgoing Minister of Agriculture Athan. Kanellopoulos, after thanking the employees for their cooperation, said that the new minister is an outstanding professor and has long political and professional experience. He also expressed his absolute certainty that Simitis will promote the ministry's task especially in the agrarian sector which, he said, our country greatly needs. Finally, he wished Simitis and the deputy ministers success because he absolutely believes that the new minister's success will be the country's success.

Ministry Director General Angelos Zakharopoulos welcomed on behalf of the personnel the minister and deputy ministers and expressed their warm wishes and their wholehearted support in the task the new ministers are undertaking.

Giannis Iosifidis, president of the Panhellenic Union of Civil Service Agriculturalists, also welcomed the minister and deputy ministers and in his remarks said: "On behalf of the union which is the backbone of the ministry, I welcome you and wish you success in your task. We shall support you and we shall always struggle hard for the modernization and progress of our agriculture. We proudly and officially declare that we greet with special interest the change and democracy."

Ministry Secretary General Stavrou also welcomed the new minister and his deputies.

Minister of Industry

Minister of Industry and Energy An. Peponis on assuming his duties yesterday asked for the cooperation of all employees in implementing PASOK's program. Referring to issues concerning the personnel, he said that all employees will be rated according to their efficiency and their will to work. He added that he is certain that "all employees will respond to the appeal for cooperation and that those very few who refuse to do so will be dealt with through existing regulations."

Deputy Minister D. Pitsioris also greeted the employees. The new minister and his deputy were introduced to the employees by S. Manos, retiring minister of industry.

Minister of Commerce

Ar. Kalantzakos, outgoing minister of commerce, handed the ministry over to his successor, Akritidis, yesterday noon. In his acceptance remarks Akritidis said: "The meaning of the election mandate is hard work in order to realize the program we presented to the Greek people." He also asked for a grace period in order to obtain full information concerning the ministry before deciding on the policy to be followed for implementing the government program.

The Minister of Labor

"I wish you success in your task." With these words, retiring Labor Minister K. Laskaris handed the ministry over to his successor, Ap. Kaklamanis. Earlier,

Laskaris bade farewell to the assembled employees of the ministry whom he asked to serve the new minister with the same zeal and devotion.

Kaklamanis, after receiving the employees who congratulated him, met with reporters and assured them that he will cooperate with the press in enlightening public opinion.

7520

CSO: 4621/31

'NATIONAL RESISTANCE' TO PARTICIPATE AT 28 OCTOBER CELEBRATIONS

Athens ELEVTHEROTYPIA in Greek 24 Oct 81 p 13

[Text] Interior Minister G. Gennimatos, referring to the 28 October celebrations, stated on 23 October that the government, with its decision, wishes to honor National Resistance which was united against the conqueror in the period 1940 to 1944. We believe, he added, that this decision will be respected by all because, as the premier also stressed, our purpose is to unite the Greek people, not to divide them.

During his meeting yesterday with journalists, Minister of Public Order Io. Skoularikis was asked what would be his ministry's reaction if there were parades or wreath-layings by National Resistance organizations during the 28 October celebratory program, which does not provide for parades by these organizations but only wreath-layings by the mayors and parish presidents on National Resistance's behalf. In answer, Skoularikis made the following statement: "I do not think there will be any problem at the 28 October celebrations."

KKE Interior

The KKE Interior Central Committee Executive Office issued the following communique on 23 October:

"The KKE Interior welcomes the announcement made by Premier A. Papandreou about recognition of the epopee of National Resistance and thinks that the final complete and clear legislative settlement of this problem will be an historic step for the democratization of the country and for its future journey forward with the active participation of its people. Specifically for this reason, we think that the 28 October celebrations must occur in a spirit in accordance with this announcement. The decision that National Resistance will be honored this year throughout the country is a positive step in this direction. Also, the interior minister's suggestion that such a celebration not be made partisan is absolutely in accordance with the national character of this anniversary. In fact, we think that any forces that engage in such partisanship will have a serious responsibility. However, this does not mean that those organizations associated with the Resistance (resistance and political refugee organizations) should be excluded from the celebrations, as well as other organizations which wish to honor it. We think that the government must find positive solutions in the above spirit."

EDA

It was announced by the EDA [United Democratic Left] Executive Office on 23 October that:

"EDA welcomes as a supreme national action the recognition of National Resistance and this action particularly honors Greece's new democratic government. The Right committed a great national crime by persistently ignoring the Greek people's resistance epopee, not only for the continuing national inspiration of younger generations but also because it deprived Greece of one of its strongest advantages in its international relations. Rallis' reactions, which are based on an act of the junta, are nationally unacceptable. Our National Resistance is one of the most heroic pages of Greek history and its justification is a national imperative."

Resistance Organizations

The movement "United National Resistance 1941-44" in its telegram to the premier, Interior Minister G. Gennimatos and ERT [Greek Radio and Television] General Director G. Romaios first seeks the repeal of Law 179/69 which characterizes the Security battalions as National Resistance and expresses the hope that National Resistance will take the appropriate place in educating the new generation. Second, it states that it will lay wreaths centrally and, through its branches, throughout Greece in honor of the heroes of the National Resistance and will participate in all the 28 October celebratory events. Third, it recommends that the struggle of National Resistance also be honored on the 28 October holiday by ERT with special programs.

With its statement, the movement "Women in the Resistance" welcomes Premier And. Papandreou's declaration concerning recognition of National Resistance and seeks for the injustices against its strugglers to be rectified and for the right of free repatriation of political refugees to be recognized.

G. A. Mangakis

Professor G. A. Mangakis, who took part in the 1941-44 resistance, stated that it is very correctly accepted for mayors to lay wreaths on behalf of National Resistance, but this cannot impede representatives of the Resistance participating at the celebrations.

From Salonica

As his entourage affirmed on 23 October, Salonica Mayor M. Papadopoulos will lay a wreath as representative of Salonica's resistance groups of 1941-44, but at least two mayors of greater Salonica are refusing to comply with the interior minister's related circular.

In his telegrams to the ministers of interior and northern Greece as well as the nomarch of Thessaloniki, Mayor of Skyai Pan. Afalis (KKE) states: "I believe that the wreath-laying on 28 October belongs to the worthy strugglers of National Resistance and as such the layings in our municipality must be done by the representatives of the National Resistance branch in our municipality."

The mayor of Polikhni, Eleni Papapanagiotou-Mitavtsi, who also belongs to KKE, sent a similar telegram to the same recipients.

In greater Salonica there are two more mayors who belong to KKE, St. Dionysiou (Evosmos) and Khr. Tsakiris (Stavroupolis), who up until late last night had not revealed their intentions.

In its statement, the Salonica local committee of the movement "United National Resistance 1941-44" expresses "deep satisfaction about the new government's decision" to recognize the Resistance but it adds: "It is indispensable for the interior minister's related instructions to be amended so that the direct participation in the yearly 28 October celebrations of National Resistance organizations, who are its rightful and genuine agents and expressors, is possible."

The government decision for recognition of the Resistance is welcomed by a statement of the student league of Civil Engineers of Salonica University which, at the same time, "denounces the unacceptable civil-warlike statements of political representatives of the Right who were taught nothing by the verdict of the Greek people and their isolation on 18 October 1981."

9247

CSO: 4621/35

MORTEN STEENSTRUP, WILLOCH PROTEGE, GAINS STORTING SEAT

Oslo, NORGES HANDLES OG SJORAFSTIDENDE in Norwegian 11 Sep 81 pp 22-23

[Article by Hans Chr. Finstad: "The Banner of Revolt is Conservative-Blue!"]

[Text] And the standard-bearer in this case is Morten Steenstrup, the 28-year-old from Vestfold who is sure of having a seat in the Storting after the election. As presumably the youngest regular member of the new extraordinary Storting, he is replacing Odd Vattekar, who has become the district governor in Vestfold. Steenstrup is described as daring and energetic--the coming star of the Conservative Party, who is Willoch's heir apparent. That is a prediction he himself regards as a poor one. Nevertheless, he admits to being fervently ambitious for a political career. "A revival of forward movement and enthusiasm for one's work" is written at the top of his banner.

This man is 28 years old today.

He obtained his bachelor of laws degree in 1976 and his M.A. 4 years earlier, with political science and sociology as his major subjects. While going to school, he was employed full-time as a journalist for the illustrated newspaper NA for 3 years and was employed by MANNSKAPSAVISA for one year. He was editor of the Young Conservatives' paper EXTRA for 2 years and was chairman of the Young Conservatives in Vestfold for 2 years. He was elected to the town council of Tonsberg in 1975. He served as deputy section leader for his party for 4 years and was re-elected in 1979. He is a section leader in the Conservative Party now and is a member of the executive committee of that party in Vestfold. He is the alternate for the Conservatives' Vestfold seat during the current session of the Storting. He also has had the experience of being elected by popular vote. In the Storting election in September, he gained a sure seat as a member of the Conservative ticket. He will replace Odd Vattekar, who now has become the district governor in Vestfold.

His name is Morten Steenstrup. There is no doubt that he will occupy a regular seat on the Storting benches beginning on 1 October 1981--in all probability as the youngest regular member of the new extraordinary Storting.

A "Successful" Young Man

Those who know the young, politically daring and energetic man from Tonsberg assert that, in Steenstrup, the Conservative Party has gotten a young man for whom it has very great expectations. He now is beginning in earnest a political career which can carry him all the way to the top.

He has been nurtured on good conservative politics since earliest childhood, and his most closely-related forbears include leading, nationally-known politicians. Ancestors of his on both his mother's and his father's side who were very closely related were among the people at Eidsvoll. But Steenstrup asserts that it is not out of respect for his ancestors and family tradition that he now is seeking his fortune in active commitment to politics, but rather his interest in social questions. For that reason, he wants to be involved in shaping the future in the spot and in the forums where the most important decisions are made.

In many ways, Morten Steenstrup must be regarded as a "successful" young man. The only goal of his he has not achieved as yet is that of getting the position of chairman of the Young Conservatives, but he adds with a smile that he is glad of the defeat now. If he had gotten the chairman's job when the opportunity was available, he would scarcely have been looking forward to a career in the Storting. At present, he can say that fate was on his side when he did not become the chairman or a member of the national executive committee of the Young Conservatives a few years ago.

Likes To Work

He meets us in the Storting, relaxed and without any indications of having just done several hours of hard work in a lawyer's office in Sandefjord and then ridden the train to the capital city. He thinks it is quite incomprehensible when we cautiously ask whether his career up to now has been due to the fact that he works for 25 of the day's 24 hours. He admits that he likes to work hard and single-mindedly, to be sure, but that is nothing to thank him for because he thrives on that. He does not intend to comply with the provisions of the working conditions law, and he is glad that the law which politicians meant for other people where the right to work is concerned does not apply to politicians themselves. But he adds that the provisions of that law show how sick our society is. For example, young people who are supposed to build houses and need money--they do not have permission to make an extra effort themselves if the employer has more than enough jobs.

We ask whether Steenstrup thinks that the entire working conditions law is simply idiotic. He doesn't want to go that far. On the contrary, he gives his support to some of the paragraphs of that law but he advocates changing certain provisions, including those concerned with working hours.

Coming Star

"Some of the people who know you assert that you are a coming star in the Conservative Party. Some go so far as to claim that you are Willoch's heir. What do you think yourself?" he was asked.

"In the first place, I feel small with respect to the job which awaits me in the Storting. What some journalists have suggested regarding my future political career I regard as a poor prediction," he said.

"What is it that attracts a 28 year old into the Storting--a young man who has every chance to make a significant contribution in the press, as a jurist or perhaps in the Ministry of Foreign Affairs?" he was asked.

"The society of tomorrow occupies my thoughts," he replied. "I do not want to sit passively by and let others make the decisions. I want to fight for the ideas I have and the Conservative Party has. I admit that I had a choice--either to concentrate on politics or a profession. Consequently, I chose the Storting, although I fully realize that an individual representative's chance of exerting an influence is limited and that he can only do so through the party and committee work."

Safety and Freedom

"You speak of the society of tomorrow. Do you have any ideas about what the future holds for us--I almost said 'what the future holds for us where good and evil are concerned'?" he was asked.

"In the first place, the election on 14 September is important just because it is concerned with the shaping of our future--your future and mine. If the Labor Party, together with the Socialist Party of the Left, gains a majority in the Storting, expansion of the government will be continued at the expense of the private sector of society. New hindrances will be put in the way of initiative and eagerness to work. But the worst thing about such a policy is that it takes the right to be different away from us," Steenstrup said.

"Also the right to fail?" he was asked.

"We must build up a social safety net nobody will fall through, but safety must be combined with freedom to make one's own choices--the right to determine one's own working day," he replied.

"It is said that good Conservative politicians only concern themselves with oil and have less interest in the fate of small businesses. What shape do you want our society to have where economic policy is concerned?" he was asked.

"We must concentrate on the small and medium-sized concerns. They make it possible to carry out the necessary decentralization of society," he said.

"Well, isn't that the Center Party's policy?" he was asked.

"No, that is the Conservative Party's policy. If we are able to generate a sense of responsibility in every individual, I also believe that a nonsocialist government will be able to restore our economy's ability to compete," Steenstrup said.

A Warning Shot?

"Is a sense of responsibility enough?" he was asked.

"No," he replied. "We must get rid of a number of restrictions and provisions of regulations which interfere with the individual's pleasure and desire to move forward at present. That and an altered taxation policy are precisely what are needed to restore enthusiasm for work, a secure conditions of prosperity and full employment to our society."

"If the Labor Party and the Socialist Party of the Left win the election, will we drift into a socialist society?" he was asked.

"Yes."

"Is that a warning shot you are firing?" he was asked.

"No. We are experiencing a development toward a more and more centralized society where the state gains more and more power in all areas and has more and more to say. More and more things depend upon the government's approval. Power is centralized in an 'elite'--that is, politicians and the public administration," he replied.

"Who actually holds the power?" he was asked.

"The bureaucrats," he replied. "When such a development is going on, the public administration actually wants to be beyond political control because the politicians--those who are awake--will not have a chance to perform their function of checking up. Society will become more and more complicated. The tendency is already clear."

"The people elected by popular vote will lose control?" he was asked.

"Not on paper, but in actuality."

"In other words, we will drift into a mock democracy?" he was asked.

"I would prefer to say a sort of artificial democratic stage setting which causes people outside the bodies elected by popular vote to gain power and authority," Steenstrup answered.

Who Has the Power?

"In your opinion, who has the power in our society at present?" he was asked.

"That's a good question," he said. "Some time ago the Labor Party appointed a so-called committee for explaining the question of power. The purpose was clear."

"What was it?"

"It was supposed to prove that private industry, banks and insurance companies made the decisions. The conclusion the committee came to was a disappointment for the people who had appointed it. The report was almost pigeonholed, as a matter of fact."

"At present, it is hard to say who has the power. The Storting could have had the power, but it has given its right to exercise control to the bureaucracy through empowering laws," Steenstrup replied.

"It is claimed that the young people are afraid of the future at present. Do you feel anxiety yourself?" he was asked.

"That worry is concerned with security policy and the balance of power between East and West--rearmament and the realization that more and more countries soon will manage to obtain nuclear bombs--countries with little in the way of tradition and political stability," he answered.

Balanced Disarmament

"Are you afraid the battle of Armageddon is coming?" he was asked.

"No, but I am concerned over current developments. An important task during the coming years will be working for reciprocal, balanced disarmament. But we must not let emotions get the upper hand, so that we find ourselves supporting unilateral disarmament efforts, for they are something that only increases the danger of war. I am also concerned over the policy the left wing of the Labor Party is pursuing. It is their intention to weaken Western cooperation with regard to defense," Steenstrup said.

"Are they Moscow's errand boys?" he was asked.

"Unquestionably they are idealists, but the consequence of their policy can be the opposite of what they are striving for," he replied. "It can tempt the Soviet Union beyond its ability to resist. Let me also emphasize the fact that a guarantee given by the Soviet Union to one of its neighboring countries is not even worth the paper it is written on. There are many sad examples of that."

"Do you also stigmatize the Labor Party's 'new' security policy now?" he was asked.

"In any case, I am disappointed in the Labor Party's moderates. They prefer, at present, to keep their mouths shut, so that they will not cause problems during the election campaign. The result is that the left wing of the party has free play now. That does not promise well."

"On the whole, I have the feeling that our prime minister is sitting on a boiling pot in the Labor Party. Instead of trying to get steam out of it, he is trying to suppress all disagreement. But now and then it bubbles up."

"An interesting phenomenon is the fact that there also are individuals in the Labor Party now who refuse to express their opinions to the press. They don't want to make scratches in Gro's varnish."

"But what will happen when the Storting election is over?" he was asked.

"Perhaps Gro Harlem Brundtland will manage to sit on the pot until the election is over. Nobody knows what will happen after that."

Go into Apprenticeship

"What do you want to do as a Storting representative?" he was asked.

"I expect to stand at the very end of the line when representatives are chosen for committees. I will have to go into apprenticeship. But I will naturally also look for jobs both inside and outside of the Storting," he said.

"Of course you do have ambitions?" he was asked.

"Naturally," Steenstrup replied. "To be elected to the Storting and then to do a decent job."

"But what committee are you aiming at?" he was asked.

"If I could choose freely, it would be the industrial committee," he said.

"To rescue industry in Vestfold?" he was asked.

"Vestfold is one of the very few districts which continues to have profitable industries. But when even our concerns are beginning to have trouble now, what difficulties must industries in other parts of the country be having to struggle with at present?" Steenstrup answered.

"Can you give a good explanation of what has caused the revolt of the young people, drug addiction and acts of violence, etc." Who has erred?" he was asked.

"Fortunately, it is a small minority of the young people who have lost their foothold. The lack of jobs and proper training opportunities unquestionably are among the chief reasons. School policy--such as is being pursued at present--is also to blame for the fact that we have many losers in our society at present. We have built up a theory--a school which everybody is compelled to go through. The schools offer too little opportunity for variations--within the practical fields, for example. The students with practical aptitudes do not get a chance to develop.

"The Labor Party believed that everybody wanted to be equal. The schools were to make Norway a socialist society by running everybody through the same channel. Now they have discovered that the result is not socialists but a large number of loser. Consequently, school policy has to be changed as quickly as possible. Opportunities for training must be offered which are adapted to the students. It is not the students who should be adapted to the schools.

"Furthermore, enough jobs must be created. That can only be accomplished by increasing our ability to compete." Steenstrup said.

Blue Young People's Revolt

"Have you never had a desire yourself to take part in the revolt of the young people?" he was asked.

"Revolting became the fashion before my time," he replied.

"That was a red revolt. This revolutionary generation--if one can use such an expression--and to which I belong--has gone the opposite way. It is a blue revolt now. We have revolted against the nursemaid mentality. We want a chance to choose. We say 'no' to any development which deprives us of the right to develop ourselves and make an extra effort if we want to."

"What is paradoxical is the fact that, just at a time when we never before in our history had this many young people in a better position to make their own decisions, they are deprived of the right to make those decisions. The young people of today are reacting to that."

"But the Labor Party does attach great importance to the so-called right to codetermination--democratization. How can that be reconciled with the assertion that the Labor Party is depriving the young people of the right, or the opportunity, to make independent decisions?" he was asked.

"I agree that that sounds inconsistent. The Labor Party identifies itself with the slogan "democracy in everyday life." But the Labor Party's version of democracy does not give the little man any chance to share in decisions regarding his place of work--as it is so prettily designated--but the power is to be transferred to the organization. The Skytoen committee's recommendation is just a frightening example of that. It is as if that proposal were tailor-made for the top-ranking shop stewards in the trade unions. The purpose is to have more and more lines running from factories to the Youngstorg in Oslo--the LO's [Norwegian Federation of Trade Unions'] stronghold," Steenstrup said.

To Work Against Myself

"Does the form our democracy has today fit the future we are moving toward?" he was asked.

"Ostensibly the Storting has the power, but it does not really have it the way things are developing today. That is frightening. It is dangerous for democracy that decisions very important to society are made by the Storting just before summer vacation begins, being pushed through the committee and the 'main hall' without being given proper consideration. We have many examples of that during the present session of the Storting. This causes alarm."

"Do you think that the Storting is having less and less to say?" he was asked.

"Of course, nobody wants to admit that he is not very important, so those are bold words," he replied.

"How will you try to work against that development yourself?" he was asked.

"I will begin with myself--that is, I will work against myself as a politician. That, in turn, means that I want to reduce the government's power and return power to the people. Therefore I also will try to nullify a number of the empowering laws we have today," Steenstrup said.

"What are the politicians' primary tasks?" he was asked.

"They should put the framework in shape--draw up the rules of the game--provide information on which processes are to be used and see to it that the rules are obeyed," he said.

9266

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POLL SHOWS MAJORITY OPPOSES UN MEMBERSHIP

Zurich DIE WELTWOCHEN in German 28 Oct 81 p17

[Article: "Oui Against No"]

[Text] At the very moment that the government is preparing to submit to the federal council and the Swiss people the proposal that Switzerland become a member of the United Nations, a poll shows that a majority of the Swiss people is against it— the result being 37 percent against, 33 percent for and 30 percent undecided. But Western Switzerland came out in favor of it.

These are the most important findings of a representative sample poll conducted by the Isopublic Institute on behalf of DIE WELTWOCHEN between 14 September and 1 October 1981. It is the 13th such poll since 1970.

As against the October 1980 poll, the number of those favoring U.N. membership rose from 32 to 33 percent. The number of those opposed to it dropped from 39 to 37 percent, and the number of undecided increased from 29 to 30 percent. These shifts are within the range of possible statistical error but may also be harbingers of a change in attitudes. Thus, if one takes an extremely optimistic view of the results, they might represent a silver lining on the U.N. horizon.

In fact, there have been two major changes of opinion since the first poll in 1970. In 1972 and again in 1978, those in favor were dominant whereas in 1975 and again in 1980, those against carried the day.

If one takes only those into account that actually had an opinion and would thus be most likely to express it at the polls as well, the number of those in favor rose from 45 to 47 percent since October 1980 while the number of those opposed to U.N. membership declined from 55 to 53 percent.

As it did last year, Western Switzerland came out in favor of U.N. membership again in October 1981. This time, the result was 37 percent pro and 26 percent con as against 35 percent pro and 33 percent con a year ago. The German part of Switzerland, on the other hand, underscored its opposition, if anything— this year's result being 32 percent for and 40 percent against as compared to 33 percent for and 40 percent against a year ago. Thus, there has been a marked difference between the German and the non-German parts of Switzerland on the question of U.N. membership for some time.

No Big Ovation for Proposal

In 1981, just like a year ago, those in favor were in the majority in the bigger towns and the opponents were ahead in small towns and villages.

The most notable shifts as compared to last year occurred in different age groups. Last year, those in favor and those against each totaled 36 percent in the group up to 34 years of age; this year, the opponents were ahead by 35 percent to 32 percent. But among the older age groups, opposition declined somewhat. In all, the differences among the various age groups have become somewhat blurred.

In view of the fact that the number of undecided reached its highest level this year with 30 percent, the possibility of surprises cannot be excluded for the future.

These poll results cannot really serve as a basis for predicting the outcome of the plebiscite on U.N. membership. The outcome will depend on the world situation at the time the referendum takes place and on the opinion climate which will be created once the government actually makes its proposal public. At this point, the only thing that can safely be said is that the Swiss people will not break into wild applause about it.

9478

CSO: 3105/81

OTRAG LEAVES LIBYA, FUTURE UNCERTAIN

Hamburg DER SPIEGEL in German 2 Nov 81 pp 74, 76, 78

[Article: "Extravagances with Qaddafi"]

[Text] On the heels of violent internal dispute the Munich rocket construction firm Otrag has left Libya.

The countdown went off without a hitch. Right on schedule, at 11:20 am local time on 1 March 1981, the 12-meter long rocket left the launching pad at the oasis of Sebha, 800 kilometers south of the Libyan capital of Tripoli, and rose skyward.

The launch was extravagantly hailed by officials of the "Orbital Transport and Rocket Ltd" of Munich as "one more important step along the way toward commercial use of the Otrag carrier rocket system for transporting satellites and cargo vehicles in space."

But those who financed the desert undertaking were none too happy.

The successful launch made the 1,500 or so "silent partners" who had invested some DM 170 million in the tax shelter company since 1974 quite uneasy. They thought Otrag's Libyan adventure a bit too daring.

Libya's neighbors were afraid the Germans might be constructing rockets —possibly to be equipped with nuclear warheads— for Muammar Qaddafi, Libya's eccentric head of state.

The Egyptian foreign minister, Kamal Hassan Ali, lodged a protest with the FRG, calling it "a serious threat to peace."

Once again, the firm was under suspicion of not merely being a harmless "moving and storage company in space" but a clandestine military operation. Once before, in 1979, Otrag had had to vacate a large test area in Zaire.

At that time, Soviet chief of state Leonid Brezhnev raised the possibility that the Germans might be engaged in testing military rockets there. Both chancellor Helmut Schmidt and the then French President Valery Giscard d'Estaing prevailed upon Zaire's President Mobutu Sese Seko to cancel Otrag's lease.

The rocket firm's financiers were annoyed to find that Otrag's founder, Lutz Kayser, had once more chosen a questionable partner to link up with. "These extravagances with Qaddafi were never discussed with us beforehand," says Arno Gerisch, an adviser of Carl E. Press, a Frankfurt moving firm executive and Otrag shareholder.

Following the Libyan desert launch, the Otrag partners called for Kayser's resignation. In late September, he was forced to relinquish his 74 percent share in the company, which is tied to the silent partnership group, and turn it over to the partners' advisory board by whom it would be held in escrow. Frank Wukasch, the technical head of Otrag, and Otrag's business manager, Helmut Billen, both resigned in proceedings before the registry court and were subsequently installed as the "emergency board" of the stock company. After that, Kayser was out at Otrag.

Not only the "escapades in Libya," as Gerisch calls them, had taken the financiers' breath away. They were even more upset when they took a look at the books. The rocket firm was just about to take a nosedive. Otrag had outstanding debts amounting to about DM 500 million— a tidy sum for an enterprise employing no more than three dozen people at last count.

Kayser had always been one to throw around with millions. By the end of 1978, after three successful launches, development costs had already reached DM 465 million. Of this sum, DM 190 million went to Zaire for leasing the proving grounds in the province of Shaba.

As early as at the end of 1974, Kayser already took good care of his own interests, selling his "inventor's rights, patents and know-how" to the company for DM 150 million.

That was a great deal of money for an idea that did not even originate with Kayser. The principle of the rocket type which Kayser used to attract investors had been worked out by German space pioneer Johann Winkler in the late twenties: a basic element consisting of two liquid propulsion tubes would be built up into carrier rockets of any size whatever and the projectile's flight would be controlled by regulating the thrust of the individual elements.

Technically, the system is obsolete because the Kayser rocket's payload to dead weight ratio becomes more unfavorable the larger the rocket gets— the bundled tube elements growing heavier and heavier.

Nonetheless, Kayser took the money— and not only for rights to the basic principle. It did not bother him that many of the inventions he sold to Otrag turned out to be useless. The guidance system he called ingeniously simple —windshield wiper motors were to be used to regulate the thrust of the tubes— was a particularly conspicuous failure.

Thus far, Kayser has collected some 15 million in cash; the remainder of the rights fees were to be paid out to him in annual instalments.

Now, however, Kayser will have to do without at least a part of the millions still outstanding. The advisory board and the board of directors of the debt-ridden firm came up with a "stabilization settlement." The creditors agreed to relinquish 70 percent of their claims. The firm can now enter the sum of DM 350 million in the books as a "stabilization profit."

Kayser did not come out of this settlement unscathed. Still, after the partial relinquishment of claims, he will still be entitled to some DM 40 million— provided Otrag ever becomes solvent again.

Zaire alone refused to play along in the Otrag bailout; it still has a claim for DM 70 million in leasing fees for the test area pending. Negotiations aimed at reducing the claim are to take place in early November.

The Otrag financiers will still have to throw good money after bad; millions more are needed to provide the funds for the "stabilization settlement."

But those that are being hit are by no means paupers. Some of the silent partners are quizmaster Wim Thoelke; Stuttgart publisher Ernst Klett and the estate of Willy Kaus, the one-time owner of the Metzeler tire company.

In all, another DM 13.5 million were pumped into the ailing firm this year; but the partners had no choice. If the tax shelter undertaking had gone bankrupt, the tax authorities would have slapped fines amounting to millions on the shareholders. The tax savings so far, which permitted the high-earning Otrag shareholders to finance Kayser's rocket experiments, would have been due in case of bankruptcy and the shareholders would have been liable.

Last month, the firm put "circular letter 11.1981" which contained some "good news" for the silent partners. "The continued existence of Otrag is assured," it said.

But compared to Kayser's extravagant predictions of "overall sales amounting to DM 30 billion over the next two decades" the continued existence of the firm has a somewhat more modest look about it. The super-rocket which was to lift satellites into space no longer has a chance. The rocket with four propulsion elements, tested in Libya, now is to be placed on the market as a high-altitude research rocket for scientific purposes.

But there is no launch site for it as yet. The new head of Otrag, Wukasch, does not want to risk further experiments in Qaddafi's backyard. The Otrag has already left the desert site. At present, the Otrag management and Brazil are discussing the possibility of testing the rockets there.

But in these talks it is turning out to be a serious handicap that Otrag has the reputation of being in the arms business. It also now appears that Kayser's activities in Libya were by no means as harmless as he always made them out to be. "What he did in Libya," Wukasch now admits, "could not be tolerated by the board of directors of a German corporation."

Several features of the rocket model testfired in Libya seem to point to less than peaceful uses. The newest version was said to have been equipped with swing wings and control jets. This would provide for more accurate target guidance— a superfluous device for use on a simple research rocket.

After departing from the German tax shelter enterprise, Kayser could feel free to continue working on the rocket, without political qualms and at Qaddafi's expense— but not without risk to himself. The Israelis would not be likely to stand by and let the German rocket expert work away for long.

9478

CSO: 3103/79

BRIEFS

MERGER OF TV NETWORKS--YENED TV network is to be merged with ERT at the beginning of December and will be renamed ERT 2 or Channel 2. This will be officialized by an expected Presidential Decree following Cabinet proposal. An earlier law dating back to 1975 had never been fully worked on. The new channel will have a very different character from the old YENED and is described as being cultural, informative and recreational. The merger of the two TV networks will be one of the first acts of the new government. Meanwhile the whole programme is being examined by the Director of the Prime Minister's Legal Service Georgios Kasimatis in collaboration with the competent authorities in the Ministry to the Presidency, ERT and YENED. According to government plans there will be a joint management responsible for the news bulletins of both channels. There is already a proposal to have at least one bulletin (that of 9 p.m.) extended to cover current affairs and events more fully, while the second channel will have more condensed bulletins. The new channel which will succeed YENED will contain more cultural and educational programmes and better quality serials. [Text] [Athens ATHENS NEWS in English 3 Nov 81 p 4]

PRESS OFFICERS RECALL--About half of the approximately 172 Greek diplomatic personnel working in Greek Embassy press offices all over the world are being recalled for economy reasons and to streamline the service, Press Undersecretary Maroudas announced. Noting that press offices cost the Greek public \$6 million last year, Mr Maroudas said countries such as Romania and Bulgaria have no press offices at all. And there are also some glaring inconsistencies, reportedly, such as the fact that there is only one press and information officer in the Greek Embassy in Moscow, whereas there are four such officers in The Hague. [Text] [Athens ATHENS NEWS in English 3 Nov 81 p 4]

TOURIST ORGANIZATION, FUTURE STATUS--The future role and functions of the Greek National Tourist Board (EOT) is one of the major subjects being dealt with by the new government. According to authoritative sources, the most widespread view is that the best solution would be for the ministry of Finance and temporarily also, the Coordination Ministry, to take over the organizations' competencies. The same sources report that EOT will be transformed into a staff-based firm which will study the positive and negative aspects of tourism and will develop local tourism. One change that is considered imminent is the decentralization of EOT, especially since a large percentage of tour operators work in the provinces. Offices abroad will be reorganised and there is also a possibility of local large tour-operators participating in the expenses involved in advertizing their regions. Care will be taken to make sure that staff rights will not be violated when the decentralization process is underway and new bonuses are expected to be implemented for the more productive staff. There is also a chance of the Athens Festival and other international cultural events coming under the auspices of the Ministry of Culture and Sciences. The government has stressed that it understands the economic significance tourism has for the country. [Text] [Athens ATHENS NEWS in English 31 Oct 81 p 4]

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